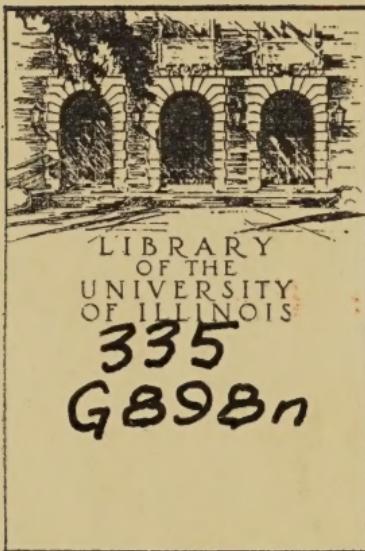




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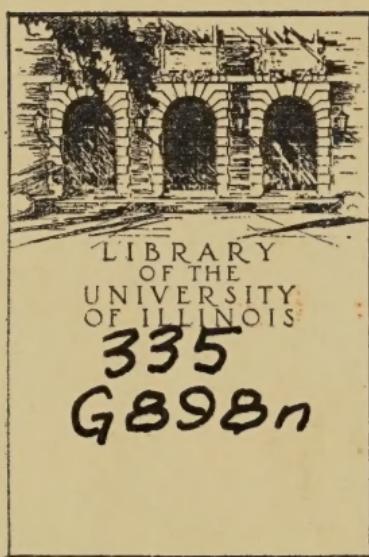
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# THE NEW ECONOMY



# The New Economy

A Peaceable Solution of the Social Problem

BY

LAURENCE GRONLUND, M.A.

AUTHOR OF "THE COÖPERATIVE COMMONWEALTH," ETC.

*"The longer I live the more it grieves me to see man taken up with some false notion and doing just the opposite of what he wants to do."*

—GOETHE.



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TO THE ONE  
WHO HAS BEEN ITS INSPIRER:  
TO BEULAH GRONLUND,  
MY WIFE,

THIS VOLUME IS INSCRIBED

Beulah & Beulah Reed Marion 47 Reed Albion



## TABLE OF CONTENTS

	<i>Page</i>
SOMETHING MUST BE DONE. . . . .	I
I. INDUSTRIAL DEMOCRACY INEVITABLE.	
<i>I. The Trust and Democracy—the Plot in the Drama         of History</i> . . . . .	15
<i>II. Collectivism the Climax</i> . . . . .	37
II. INDUSTRIAL DEMOCRACY A MOST NOBLE IDEAL.	
<i>III. Rational Morality</i> . . . . .	57
<i>IV. Freedom</i> . . . . .	73
<i>V. Individuality</i> . . . . .	89
III. PRACTICAL STATESMANSHIP.	
<i>VI. A Wise Program</i> . . . . .	113
<i>VII. The Right Start</i> . . . . .	135
<i>VIII. State Aids to Employed Labor</i> . . . . .	153
<i>IX. State Help to Unemployed Labor</i> . . . . .	173
<i>X. Municipal Enterprises Under State Control</i> .	191
<i>XI. The Liquor Traffic. Socialization of Mines.         Nationalization</i> . . . . .	209
<i>XII. A National Telegraph</i> . . . . .	227
<i>XIII. National Banks of Deposit and Banks of Loans</i> .	243
<i>XIV. National Control of Fares and Freight-rates</i> . .	261
<i>XV. The Department of Agriculture</i> . . . . .	279
<i>XVI. The New Education</i> . . . . .	299
LEADERSHIP.	
<i>What the Individual Can Do</i> . . . . .	343



# Something Must Be Done

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"Behind the silver movement there was an undoubted feeling of popular discontent with the established order of things, which is likely to become more desperate through defeat. Indeed, it looks more like the beginning of a great social and economic struggle than the end."

—*The St. James Gazette.*

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SOMETHING, indeed, must be done! That was true before our war with Spain—it is still more true after it. To be sure, we as a people are better off than we were a short time ago; this is conformable to what this writer has long insisted upon, to-wit: that our competitive system must lead to disaster, not by a straight road, however, but by a wave-like path: comparative prosperity, alternating with steadily increasing adversity. Hence the better times we now enjoy will infallibly, in a few years, be followed by harder times than our people have yet endured.

The mere fact that experience must have taught us all that crises are more and more frequent and become more and more destructive should admonish both statesmen in power

## THE NEW ECONOMY

and reformers to utilize these years of comparative sunshine—the former in getting something ready that may avert the storm, the latter in being ready with proposals that really will effect what they intend to accomplish.

For the coming period of adversity, especially if it happens to coincide with the next national campaign, will be stormy, indeed! The great social and economic struggle, as the *St. James Gazette* observes, has already begun; the last election must have convinced all thoughtful men that a large minority among our people are determined on radical reforms. Economic problems have evidently now taken the place of merely political questions.

Prof. N. P. Gilman could in 1893 write with a measure of assurance: "There is, of course, no horizontal line of cleavage in the United States between rich and poor." But a vast change has taken place since then. We have witnessed a phenomenon of tremendous import: one of the old parties, the Democratic party, cutting loose from its old moorings, and with its millions of voters antagonizing the absolutism of capital. We have in the last campaign seen the two classes of rich and poor arrayed against each other, a solid phalanx on each side, in Henry George's words, with "silver as the symbol of the poor and gold as the symbol of the rich."

But let the classes not delude themselves with the notion, that mistakes, similar to those

## SOMETHING MUST BE DONE

of the late campaign, will in the future be committed by the party of the masses. It was their great good fortune—and perhaps the great good fortune of our country, also—that in the late conflict each party had a measure of right on its side. The Bryan party strove to put a stop to the autocratic absolutism with which our plutocrats control all the people's affairs; the Republican party fought for the present monetary system, the defeat of which at that time would have been our country's ruin.

The Bryan party committed the great mistake—and our reformers are still lying under the same mistake—of not seeing the momentous truth, that under the present competitive system you cannot benefit the poor without benefiting the rich and that you cannot injure the rich without injuring the poor. The only way of tying the hands of the rich is to limit the field of competition—this, indeed, is the great lesson inculcated by this volume. Hence Free Silver would not have accomplished the object at which the Bryan party aimed. To be sure, it would have hurt the rich, but it would have injured the poor infinitely more; consequently it was like the policy of the lunatic who cut off his own nose in order to spite his face. Free Silver was altogether a false issue, hence it was actually a blessing for the party of the poor that in this instance they did not win.

The leaders of this party may with advantage ponder over the words from Goethe which we

## THE NEW ECONOMY

have made a motto to this volume: sometime they will come to acknowledge that "they were doing just the opposite of what they wanted to do." It is thus obvious that both sides will need, during the breathing-spell vouchsafed to them, to do a considerable lot of thinking.

But that something in the way of economic and social reform should be done is still more urgent after the Spanish war. Before the latter the need of it was as pressing, at least, as our duty to liberate the Cubans. Now that war inevitably has greatly increased the resources of our plutocracy, of the party of the classes—hence it becomes imperative on our reform-forces to display redoubled activity.

Now, what is this "something" that must be done? Prof. N. P. Gilman has lately written a book, *Socialism and the American Spirit*, which will be frequently quoted in this volume, because he is an admirable representative of the classes. There he makes the observation: "The man who with wisdom answers the question, 'What shall we do to-day?' deserves our prime respect." That is precisely what this writer will here attempt to do. Part III of this book, entitled "Practical Statesmanship," answers that question by recommending a number of measures, which it is insisted are both feasible and timely and among which, it is believed, our reformers will have to select timber for their future platforms; which, on

## SOMETHING MUST BE DONE

the other hand, the party in power may adopt if it will return to the principles and glorious traditions of its founders.

These measures, some of which will have to be carried out by the nation, the others by the "state," in the American sense, are as follows: Obligatory Industrial Arbitration; Effective Labor Organizations; State Productive Work for the Unemployed; Municipal Enterprises under State Control; State Management of the Liquor Traffic; State Socialization of Mines; a National Telegraph and Express System; National Banks of Deposits; National Banks of Loans; National Control of Fares and Freight-rates as a step to the nationalization of railroads, and, lastly, a great change in our National Department of Agriculture. Observe, these are all political measures; that is to say, they are all here considered from the standpoint of the statesman and the voter, and they are intended not to solve but to soften the social problem.

But this is by no means all there is of this volume. The part of which we here have spoken tells us what to do; there are two other parts that tell us why we should do it. Part I aims at convincing the reader that the proposed measures are right; Part II, that the end at which they aim is highly desirable.

When Mr. Gilman propounded his question, he evidently did not anticipate, judging from the remarks which he in his book devotes to

## THE NEW ECONOMY

this writer, that he or any socialist would answer it "with wisdom." They are all to him "dreamers;" and he sneeringly continues: "Rarely are the dreamers helpful members of the committee of ways and means." Now, to be sure, this writer is still a socialist, as much as he was when he wrote *The Coöperative Commonwealth*, though he always preferred to call himself a Collectivist; but when Mr. Gilman adopts this definition: "The state socialist calls for drastic legislation to reach the desired end immediately," it is clear, simply from the scheme here suggested, that he is not that kind of a socialist. This writer, moreover, wishes it distinctly understood, that he is not so much concerned about whether Collectivism be triumphant in our country in ten years or in a hundred years from now; but he is greatly concerned about how to deal with the threatening social problem that must be dealt with very soon and somehow. All the world has expected that great writers like Herbert Spencer would tell us how to do this; we know that he has failed—perhaps because there was nothing of the generous "dreamer" in him! A more profound philosopher than Mr. Gilman—to-wit, Prof. William Graham, has a juster and more correct idea. In his *Socialism, Old and New*, which also will be frequently noticed in this volume, because its author is very friendly to the masses, he observes: "Social thinkers—those who can feel deep and think clear—will

## SOMETHING MUST BE DONE

be required to furnish light and guidance." Perhaps it will be found, that the only men who can tell us what we shall do to-day "with wisdom" are—the dreamers.

Part I, then, inquires in what direction we should aim our efforts. This is answered by ascertaining the goal which evolution—or the Power behind evolution—has set for us and toward which it is pushing us. The two great tendencies of our time, Combination and Democracy, distinctly point out to us this goal—to wit, the Coöperative Commonwealth or Collectivism, and the whole trend of history tends toward the same conclusion. As has been said, "In all forms of industrial activity—in the matter of meat and groceries, of boots and shoes and clothes and books and printing, of railways and telegraphs—we find, that competition has changed into its very opposite: coöperation and private capital into collective capital, and that in consequence the smaller enterprises have merged into larger and larger ones, and yet we are just at the threshold of electricity."

Clearly the inevitable outcome is, that in the Trust we have reached the last stage but one, for then machinery is ready to the hand of the collectivity and the public will at a given time actually be compelled by the spirit of Democracy to assume the management. Our concerning ourselves with this goal, which perhaps may be a hundred years distant in the future—that is the "dreaming" with which we

## THE NEW ECONOMY

are charged. Nevertheless it is a point of view that is profitable; it proves to us, that the Trust, instead of being the people's foe, is really, though unwittingly and unwillingly, the people's best friend; it warns us that every solution of any pending problem which is not in line with this goal, which is not a stepping stone to it, even if it be backed by a million of bayonets, is worse than no solution.

The fact is we are actually too practical a people. Professor Bryce, in his *American Commonwealth*, observes, with perfect truth: "The United States Democracy has never allowed itself the luxury of a philosophical theory; doctrinairism is there so uncommon a fault as to be almost a virtue." We are so practical that we go to work inventing remedies against social ills as we invent harvesters. But some theory is certainly requisite, especially in these critical times, that may serve us as a red thread to lead us through their labyrinths. The Collectivist theory is surely most plausible, and Part I attempts inductively to demonstrate its truth.

Part II aims at convincing the reader that this goal is a most noble ideal, and thereby presents to public-spirited citizens the very highest motives for pressing enthusiastically toward the goal. There are undoubtedly many good people who honestly hold that Collectivism will morally and socially be mischievous. This is an unfortunate and demonstrably a thoroughly false impression, but we admit that

## SOMETHING MUST BE DONE

socialist writers have written many things to create such an impression.

This part will prove, that under Collectivism, properly understood, there will be wrought out a grand scheme of human freedom, and the fullest possible scope for personal capacity. More than that, the Coöperative Commonwealth will reconstruct morality on an unimpeachable, intelligent basis by making society, instead of self, our center, and thus introduce the same order into ethics which the Copernican system introduced into astronomy. This will moralize egoism and rationalize altruism.

We shall then have a higher, an intelligible ethics and an inspiring religion—a morality that will prompt us to seek our true individual welfare exclusively through the collective well-being and a religion that will convince us that humanity, far from being a heap of grains of sand, is an eternal, progressive social organism with one destiny, which destiny we are here on earth to advance. The freedom which the Coöperative Commonwealth will guarantee to its citizens will be shown to be the sole condition under which rational altruism can have free play, as distinguished from our present liberty or rather license which renders most men unfree.

And individuality will confer its greatest blessing on the commonwealth, not so much by raising the condition of the poor, as by furnishing the ablest minds among the people

## THE NEW ECONOMY

with full and equal opportunities, and by giving genius and capacity free range. It will thus be seen that this writer differs radically from Bellamy as to his notions of equality, which he contends will make Socialism preposterous to its opponents and hopeless to its friends.

Mr. Gilman assures us that "Americans will not be in any degree terrified by measures having a socialist bearing," though he adds, that "if they be prudent, they will stop short of statutes, marked by the peculiar note of Collectivism." Now it must of course be admitted, that the first two parts of this volume are decidedly collectivistic, or socialistic, if you please, and, further, that Part III has a socialist bearing, but the reader is assured that "the peculiar note of collectivism" is wholly absent from this, the practical part; none of the measures therein advocated is new or strange, but every one of them is a steady growth from what has prevailed here for the last hundred years.

Indeed, this writer has taken particular pains to keep Part III outside the sphere of Collectivism, and he has done this for a definite purpose. The greatest imaginable misfortune to our country and to the cause he has at heart would be, that Collectivism become a class-movement here as unfortunately it is in Europe; there is imminent danger of it, especially since the political class-struggle of the late campaign; but as yet it can be prevented.

## SOMETHING MUST BE DONE

European Socialists—that is, those on the continent of Europe—actually preach class-war between workingmen and the possessing classes; this makes the prospects there of our cause to this writer so very gloomy.

God preserve us here from such a doctrine! Here we should have friends of our cause among all classes; and hence this volume will not be found to contain a word that might move to violence or class-hatred. On the contrary, its leading idea is, that by agitating for and carrying out the measures of Part III we shall not be conducting a Collectivist or Socialist crusade, but merely preparing the way, removing the obstacles, for the advent of Collectivism, and at the same time mitigating the evils of this competitive *régime*—till God's hour strikes. When these measures are adopted, Americans may well make a pause before they frankly act as Collectivists. The sound policy for us undoubtedly is then to pause, for the last campaign conclusively proved, that our people are altogether unripe for a radical change in our National Constitution. One whole generation, at least, evidently must first have a thorough training, hence the last pages of this volume are devoted to education: chapter XVI to the compulsory education of all our children by the state under kindergarten and manual training methods, and the Conclusion to the enlightenment of adults. Then, and not before, will the time have come for the

## THE NEW ECONOMY

assembling of a Constitutional Convention to so amend the Constitution that our nation may enter upon the field of purely private enterprise by nationalizing one trust after another.

Here is the proper place to state why this book is entitled *The New Economy*. We think that "Political Economy" properly means the science of production and distribution under a system of competition. The name of "The New Economy" may provisionally be applied to the science of production and distribution, as they will be carried on under social coöperation.

The object of this book then, in a few words, is, to unite all good, enlightened people on the Collectivism, here presented, as the worthy ideal of the twentieth century, and in efforts to render odious the spirit of individualism; meanwhile they are asked to effect certain reforms—reforms that are really practical, because they will soften the social problem by raising the economic condition of the wage-worker and taking under the arms struggling Ability.

In this task fortunately there is a mysterious force active on our side—to be sure it is but a sentiment, but sentiment often has governed the world. It is the conviction, that the new century is sure to inaugurate a new era, and realize the prayer of nineteen centuries:

*Thy Kingdom come!*

## PART I

# Industrial Democracy Inevitable

*"Whatever faults this world has, it at least cannot be charged with being petrified; on the contrary it transforms itself unceasingly."*

—PROF. CHARLES GIDE.



## CHAPTER I

### THE TRUST AND DEMOCRACY—THE PLOT IN THE DRAMA OF HISTORY

"We are moving on in a grand evolution of a social and industrial order out of a semi-barbarian chaos."

—*The Social Horizon.*

There is a phenomenon, first appearing in America, which in our generation has carried economic evolution to its highest pitch, and that is the Trust—than which no greater sign of coming events was ever vouchsafed to man.

We all know what a trust in its general features is—it means, that the different establishments in a given line of business combine to stop competition between themselves and thus regulate production—that is, the supply. Now note the tremendous importance of this apparently so simple matter. It is an admission by our captains of industry, that competition has now become highly injurious and is growing more and more unprofitable to their interests; it is a further admission, that competition involves planless production, and that planlessness here, as elsewhere, means waste and inefficiency. This admission it is, that has originated the Trust. But competition is the principle hitherto ruling in our present indus-

## THE NEW ECONOMY

trial system, and the Trust, then, is a complete break with and abandonment of that principle, and the substitution for it of its very opposite: combination or coöperation.

It is this significant admission by business men of all classes, that competition is henceforth ruinous to them—however beneficent it may have proven in the past—that makes the attempts to crush the Trust entirely hopeless; that which has become the natural course for business and production is sure to break a path for itself through all obstructions. It is just as foolish in legislators to try to suppress the Trust as it would be for them to legislate against the winds or the law of gravitation. We, on the other hand, may safely predict, that the Trust will go on developing in all directions, so that finally, sometime during the twentieth century, all industrial activities will be under the control of trusts, extending from the Atlantic to the Pacific. There is absolutely no help for it.

The Trust, then, clearly, is one of the most important and suggestive of modern phenomena.

Then there is Democracy, which provisionally we can define as the political and economic supremacy of the masses, though not till the following chapter can be given the complete definition, as it will be understood throughout this volume. The Trust and Democracy are really terms incommensurable; the latter

## THE TRUST AND DEMOCRACY

is as yet an idea, the former is an institution. Combination and Democracy are the equivalent commensurate terms.

The condition of labor has in every country and at every period been the measure, the standard, of its advancement. It is around the laborer that the battle of civilization has been waged; civilization, indeed, can be properly defined as a series of struggles to raise the working man from the lowest rung of the social ladder higher up. It is admitted by everybody, that Democracy is now so powerful in all civilized countries, that the supremacy of the masses must soon become a fact everywhere. There is one phenomenon, very strong here and in Western Europe, that better than anything else proves the growth and the present strength of Democracy, and that is the disposition of the State to widen the range of its activity in the economic sphere and to exert it in the interests of the culture, of the health, the happiness and the morals of the working-classes; in particular, we witness an inclination both in the central and local authorities to assume industrial functions and to regulate private enterprise. We find this in America, in Great Britain (especially since the first factory act of 1844), in France and in Germany—clearly due to the democratic flood-tide.

Now, what will be the outcome of the Trust and Democracy? In order to ascertain this we

## THE NEW ECONOMY

must find out how they came to be in this world of ours.

It is but lately that our eyes have been opened to the true meaning of human history. We know, that even as lately as the last century the most revered philosophers—the fathers of our country among them—looked on history as entirely a record of man's errors; it is in this, the nineteenth century, that we at length have reached the true conception—to-wit: that the history of man is the record of his orderly and regular evolution. There is, indeed, in that history more than order. When we study it attentively, we find unity and purpose distinctly exhibited in addition to order; that is to say, such study imperatively imposes on our minds the idea of a world-plan. History in other words is a grand drama with a plot running through it like a red thread.

This discovery is a long, progressive step. That history is a drama means, that humanity has all the time been pursuing its destiny, but hitherto it was done unconsciously; a secret force seems to have been leading it along by the hand. From now on we can consciously direct our steps. The ancients had their *fatum*, *i.e.*, inexorable Necessity, that sternly crossed the path of all and to which all had to submit; now we have learned, that this "fatum," while undoubtedly still inexorable to the individual, can to a considerable extent be controlled by men, working in concert; and now

## THE TRUST AND DEMOCRACY

we give it another name: "our social environment." That is to say, we have found out that by unraveling the plot of history—by studying history philosophically—we become able not merely to foresee and foretell events, but actually in some degree to foreordain events. This achievement of the nineteenth century has thus opened to us a splendid empire of power, a glorious career of freedom that almost renders us god-like.

Let us then proceed to unravel the plot—the plot of man's industrial relations, which are fundamental facts of human life.

The workingman commenced as a slave. As such he was not even a man; he was a mere thing, since he was only a means to his master's private ends. The "just" Cato sold and killed his old slaves, as he thought expedient, saying in his own words, "what are they but instruments for obtaining wealth?" The governing principle of slavery was compulsion in its most brutal form. Perhaps slavery, nevertheless, was the necessary first step in our civilization; at all events the German philosopher, Fichte, thought that "mankind would never have been able to shake off the dominion of its instincts if certain individuals, more domineering than the rest, had not imposed their personal authority on a certain number of their own species."

During the period of slavery labor was thoroughly and universally despised—so much so

## THE NEW ECONOMY

that it was deeply disgraceful for a free man to engage in it—for the simple reason that it was performed under compulsion, by slaves; and yet many of these slaves were cultured men, who often were physicians and philosophers. This view of labor, of course, was a stupendous stumbling-block in the way of its evolution.

After the lapse of centuries the laborer became a serf. The governing principle is still compulsion; nevertheless he now had gained advantages that cannot be overestimated. First, Christianity made him a person, a moral personality, which carried with it the immensely valuable privilege of forming a family; next, while he was bound to the soil where he was born he, as a set-off, enjoyed the precious boon, Security, for his support from that same soil was legally guaranteed to him.

And during serfdom labor commenced to rise in men's estimation. To their great credit it was the monastic orders of the West that first conferred dignity on the manual worker; among them must particularly be mentioned with honor the great Benedictine Order which had laid down this inflexible rule, that its members must support themselves from labor with their hands—in consequence of which the order became celebrated for converting waste forests into smiling gardens. The great bishop, Thomas à Kempis, was a Benedictine monk, and used in the summer time to

## THE TRUST AND DEMOCRACY

work in the fields with his monks. But the most considerable step in the elevation of labor was taken when the Italian cities embarked upon foreign commerce, which so stimulated the hankering after gain, that even the proudest nobles sought admission into commercial houses as partners. This, of course, required that the prevailing contempt for labor should be changed, if possible, into respect; this change was actually accomplished by this foreign commerce—and nothing else probably could have done it so well—for the reason that the requisite efforts were more or less concealed from their fellow-citizens.

Meanwhile the serf evolved first in one country, then in another into the wage-earner, as we know him to-day. He now lives by selling his labor-power in the market on the best terms he can get; in other words, the governing principle is now competition—not competition on the part of employers for his services, but competition with his fellows for the privilege of earning a living. Consequently he has acquired personal liberty to go where he pleases, whenever he can afford it. This certainly is a vast benefit; but it should never be forgotten, that he has paid a tremendous price for that liberty—nothing less than the surrender of the security for existence that he as a serf possessed, a price tremendous indeed, for his present insecurity is the greatest curse on the wage-earner, the worst characteristic of

## THE NEW ECONOMY

the wage-system. And only second to this insecurity as an evil, a curse, must be reckoned the dependence that clings to the system. The wage-earner who is employed is actually dependent for his daily bread and butter on the favor, often on the mere whim, of the man who happens to be his employer. The wage-earner is, in very truth, a wage-serf.

But in spite of these drawbacks labor has taken great strides toward making itself respected. The first of these was when there arose from the working-classes an economically independent and capable class, which emancipated itself in the Great French Revolution, for that social earthquake was the first great rising of talent against hereditary usurpation, against privilege. The evolution has continued. Labor for gain has come to honor; manual labor has risen to be a potential power. It has formed itself into Trades-Unions, by which it has diminished competition among its members and shown capitalists the benefits of coöperation.

It is being educated. It has gained the suffrage in all civilized countries. The point up to which evolution here has proceeded then is: the political supremacy of the masses in theory, but largely nullified in practice by the insecurity and dependence, inherent in the wage-system.

It is this antagonism between the political and the economic status of the wage-earner that constitutes the social problem, particularly

## THE TRUST AND DEMOCRACY

that section of it which has come to be known as the labor problem. It is a perfectly novel problem, that is troubling and threatening all civilized countries; in former ages the hewers of wood and drawers of water never thought of asserting their importance. They have come to self-consciousness.

This, however, is but a part of the plot of the drama of history. Parallel with it another evolution has taken place: in property, in the employment of the means of production.

During slavery and serfdom that employment was altogether domestic—personal we may call it; it was one and the same person who owned and who employed the raw material, all the machinery which they then used, the land and the laborers—who, during the period of slavery, were mere property. It could not possibly be otherwise. In other words, whatever products a wealthy man then needed he was obliged to raise and manufacture on his own premises. There was no other way he could procure them. For this purpose he had slave-shoemakers, slave-blacksmiths, slave-carpenters, even slave-physicians and slave-copyists. These slaves made not only what the rich owner himself required, but also what his clients and slaveless friends needed. It was precisely the same thing under serfdom: every artisan in the towns had at first their lords; in fact, none could be without one; and they furnished these lords of theirs with everything

## THE NEW ECONOMY

that was needed and wanted. Only these town-artisans were emancipated considerably earlier than their brethren in the country.

Then there came a time, not so many centuries ago, when this domestic employment of the means of production was changed into capital, as we now know it. Capital is a Latin word, but it is we moderns who have constructed it. It was commerce that created it—the same commerce that, as we saw, elevated labor, which now had to be voluntarily undertaken; especially the commerce that brought from the Indies spices wherewith to season the coarse meats of our ancestors in Western Europe. Now note the curious change that was brought about: hitherto it was the same person who owned and employed a given amount of wealth; capital, on the other hand, is the same wealth, the same means of production, owned by one definite party and employed by another definite party. That is to say, the ownership of capital is in one person and the possession of it in another. The owner is said to “invest” his capital, and this term means, that he transfers his wealth into the possession of a third party, often a perfect stranger, for the use of the latter, in whose hands it breeds a regular income for its owner. Still observe, that even here there is a personal relation between the two parties; the owner naturally considers well beforehand where to invest, and ever afterward keeps a

## THE TRUST AND DEMOCRACY

sharp lookout on the business in which his wealth is placed. Indeed, this idea of personal interest has, ever since Adam Smith inculcated it, been so engrafted on economic thought, that success in business was supposed impossible whenever it was not present and active.

Here mark a very important point, that this capital—that is to say, private capital, capital privately employed—corresponds to the wage-system in the parallel evolution we have considered. But the Trust has arisen, and it has raised business one rung higher up on the ladder of evolution. The Trust, however, has not interfered with the wage-system—that has been left where it was—but it has turned competition into co-operation and private capital into collective capital, and it is just thereby it has become the greatest sign of coming events to us.

Recall our definition of private capital: means of production, owned by one definite party and employed by another definite party—this is the only form of capital that is practical under a system of competition. The Trust changes all this. We observed, that in our present competitive system the owner of capital has still a personal relation to, a personal interest in, the business carried on; he is still affiliated to the manager. But in the Trust the capitalist has actually given up all relations, all interests, of an active character; as a member of the Trust he has completely differentiated himself from

## THE NEW ECONOMY

the manager; he has in short abdicated all his former functions of directing production. You will repeatedly find in all the great trusts holders of stock who have not the remotest understanding or knowledge of the business transacted; who never saw the place where it is carried on; who often even do not know in what kind of enterprise their wealth is invested—capital-holders in other words who actually have no other connection with production but that of receipting for their dividends. These are facts that all may know. You can take all these capitalists up to some other planet, and business and production will go on precisely as before.

What a refutation this is of Adam Smith's dogma of the "spur" of private interests! For our trusts are much vaster enterprises than any of which Adam Smith every dreamed; we know, that they succeed admirably, better than business did in his time, and yet his spur is entirely absent. Now, it is evident that the means that are controlled by our trusts are not in any sense private capital; there is here no private use of capital; hence these means are in truth, what we called them, collective capital, which we can properly define as: means of production, employed by a definite party, but owned by an indefinite party. It is entirely indifferent to whom this capital belongs; collective capital is impersonal.

From this point of view it is clear that the

## THE TRUST AND DEMOCRACY

evolution of property has proceeded much farther than, and has got ahead of the evolution in the condition of the people. The Trust is a fact, an institution, we said; Democracy in any real sense is as yet but a tendency, though an irresistible tendency. The Trust is the last evolutionary term of the present social order; militant Democracy gropes its way to its last evolutionary stage—to that which is beyond the wage-system.

For the democracy which our fathers established here a century ago was nothing but political democracy—that is, in political affairs they abrogated the personal will of the King of England, and substituted for it the impersonal authority of our people. But nothing of the kind was then done, or has ever since been done, in the economic sphere, which after all is the fundamental sphere; it may rather be said, that there we have retrogressed, gone away from democracy. For we are literally living under an economic absolutism. In economic, industrial matters the divine right of kings to rule has been changed into the divine right of plutocrats to rule.

Mr. Gilman, in his *Socialism and the American Spirit*, will be our very willing witness. "We have escaped," he says, "our greatest dangers as a people through the counter-balance, afforded by the free play of the natural aristocracy in the industrial world." Indeed, can any one deny, that our moneyed men have

## THE NEW ECONOMY

acquired complete control over all the business of the people, without any responsibility whatever for the welfare of the people and without any accountability at all to the will of the people? And do they not exercise such control in a perfectly autocratic fashion—not to satisfy social needs but for their exclusive private benefit? That is their damnable offence, that they sneer at the public weal and the public will, and meanwhile ruthlessly monopolize all social inventions and the political machinery with an eye solely to profit. This is undeniable. They build ships and railroads—not at all in order safely to carry passengers and freight, but exclusively in order to make money. Whenever they cannot realize their accustomed profits, we find them mercilessly shutting down their factories and closing their shops.

The truth is, that our people are living in more abject dependence on organized capital than the people of any other country on earth. With the arrival of the social problem economic absolutism has also come upon the stage and hence our people have become conscious, that political liberty is worthless without economic freedom; therefore the fight that is commencing is actually a contest between Democracy and Absolutism for the solution of the social problem. The long, fearful lines that now are being drawn up in fierce battle array in all civilized countries are to decide between

## THE TRUST AND DEMOCRACY

the classes and the masses. Progress demands, that Democracy be victorious along the whole line and that Absolutism at all points be crushed; but our efforts should be directed toward having the contest decided without any resort to violence and bloodshed, and hence gradually, slowly.

Now, the very pith of this chapter is, that the Trust is evidently predestined by the Power behind evolution to be the instrument in the hands of Democracy to destroy Absolutism—the instrument that will enable Democracy to realize itself—and to do it in a perfectly peaceful manner. If this is so, the Trust should be looked upon as the best friend to the struggling masses, and reformers, instead of foolishly trying to crush it, should help on its development all they can.

We have seen, that the function of the Trust is to concentrate: it concentrates the means of production to collective capital, and it concentrates the producers by making co-operation the governing principle. There has been apparent during the whole nineteenth century, but particularly during the last fifty years, a decided drift toward concentration, centralization, in all human affairs, but especially in our economic affairs. In production, distribution, transportation, communication, the merging of smaller enterprises into larger and larger ones has been the order of the day.

Socialists years ago used to point out, that

## THE NEW ECONOMY

this tendency could have but one result: that under it competition was sure to end in monopoly; but they were not listened to. It was quite common to hear political economists reason in this way: "We grant that a concentration is now taking place, but wait a little, and you will, after a while, see a reversal of this tendency." After the appearance of the Trust such talk is no longer possible. No economist now expects such a reversal, but they all admit, that every succeeding enterprise will surpass its predecessor in colossal dimensions, and that particularly the age of electricity, upon which we have just entered, will create wonders of which we now do not dream. The Trust indeed has been a splendid proof of the sagacity of these old socialists, and has also verified their contention that competition was a very wasteful and inefficient principle.

One eminent economist, Prof. Charles Gide of the University of Montpellier and editor of *Revue d'Economic Politique*, France, has given utterance to this sentiment: "Concentration now is bound to go on, until nations will be confronted by the dilemma: either organized government or organized capital"—by which phrase he means, that either capital will own the government or the government must own capital. This, as we shall see, is by no means a prospect that should dismay the Democracy. We know that trusts are to carry on all production and all business during the twentieth cen-

## THE TRUST AND DEMOCRACY

tury; but we also should reflect, that by that time we shall amount to between one and two hundred million of people, "with the instincts of a masterful race, docile to facts," as Gilman describes us, and that our workingmen, on their side, will form large syndicates of labor, also.

This concentration it is that directly points to collectivism, which is irrational as long as industries are conducted by hundreds of thousands of establishments.

Let us now direct particular attention to the fact, that the organized capital against which Democracy must make its fight will have had its character completely changed by the Trust. Recall the conclusion at which we arrived, that our moneyed man in the Trust has abdicated all the functions he used to exercise and that he no longer has any connection with production. Who, then, has taken his place? you ask. The answer is: a person called the manager, who is a paid, private employé, just like any other employé.

These are two changes of tremendous reach and importance, and they will, of course, be infinitely more significant when trusts extend all over the country and embrace all industrial activities. Then all our capital-holders will become industrially and socially useless, hence first superfluous and, next, harmful; they will become rudimentary organs in the economic world. You know that naturalists speak of

## THE NEW ECONOMY

“rudimentary organs” in the animal economy; the muscles which move the ears are well developed in horses, but in man they, as a rule, are never used; in him therefore they become stunted, “rudimentary,” and the method nature employs to get rid of them is to stop the supply of blood to them.

This, of course, will react on capital. Capital—private capital—formerly had a social character and was subject to important social obligations, which in some respects were splendidly discharged; but capital-holding in the future—that is, ownership of the collective capital—will evidently be a purely personal privilege, aye, a privilege, subject to no social obligations whatever. Remember here the definition we gave of this collective capital: means of production, employed by a definite party and owned by an indefinite party. We said that this collective capital is impersonal. That is to say, it is of no earthly interest to anybody except the owners who own it, or if nobody owns it; it is wholly immaterial if this collective capital to-morrow ceases entirely to be “property”—it will cause no sort of damage to production.

Thus the Trust has shown, first, that the individual capitalist is now unfit to have control of capital, and next, that he is unnecessary and useless; that in fact he has voluntarily abdicated. Collective capital—machinery and inventions—in private hands is hence an

## THE TRUST AND DEMOCRACY

obstacle in the way of progress. But the organization of the Trust is admirable; it will have knocked into the heads of us all with sledgehammer blows the patent truth that system is better than planlessness; and the Trust—and every business as soon as it becomes a trust—has all its machinery ripe and ready for public control. What then to do? Why, the trust has put everything in shape to the hands of Democracy! Imitate Nature, and stop the supply of profits to these capital-holders. All that is necessary is when the proper time has come, to eliminate these useless "owners," and to convert these managers—these paid private employés—into salaried public servants. Thus the collective capital will be made into a public institution, into social capital.

The managers will surely do at least as well as public servants as now they do as private dependents; public employment has always much the greater charm for citizens. And the "elimination" can take place without the least real injury to the "owners," in a perfectly legitimate and expedient way. Let a true valuation be made of the plants turned over to the community—all the water, of course, squeezed out; then let the collectivity compensate them by paying annuities. Assume there be a Vanderbilt honestly entitled to one hundred million of dollars, pay him one million a year for a hundred years, without interest, of course, and that will settle his account. To

## THE NEW ECONOMY

be sure they will cry “injustice!” for naturally they will claim a vested right in their privileges to all future time, but “vested rights” will most certainly be contemptuously disregarded by the people.

But what is the evident meaning of this proceeding?

It clearly means that the same change will be effected in economics that was accomplished in politics by the fathers of this republic a century ago. This is the climax, to which the Trust and political Democracy tend; this is the goal of evolution—*Industrial Democracy*. Absolutism will be entirely abolished, and Democracy will be extended to industry; that is to say, the personal will of our “natural aristocracy” in industrial affairs will be replaced by the impersonal authority of the people.

We shall have complete Democracy, Democracy in economics as in politics; but this we shall find is Collectivism.

The Trust is the clincher of the relentless logic of events!

We dispute the notion of Herbert Spencer, that evolution is always slow and regular; we contend that all the principal events in history tell a different story. At first, during the germinating period, evolution proceeds slowly, very slowly; but then it gains in rapidity, gets a quicker and quicker gait, and finally the decisive event is generally accomplished in the twinkling of an eye.

## THE TRUST AND DEMOCRACY

Take Christianity—it took 300 years to develop, but then it became in a few years under Constantine the official religion of the great Roman empire. Look at the Reformation—it was growing for more than one hundred years, ever since Wycliffe and Huss; then in a couple of years under Luther it captured all the countries which still are Protestant. Precisely the same can be said of the great French Revolution and of our own Abolition of Slavery. Now Collectivism has been growing during this whole nineteenth century; who can deny that it will, during the twentieth century, become dominant?

But give your attention to this “decisive event” that often is accomplished in the twinkling of an eye—that is, what we call the “revolution.” We say that “the revolution is the decisive point in evolution.” The birth of a child is truly a revolutionary event; it is the “decisive point” between its evolution in the mother’s womb and its evolution in the outside world. Now the Trust is the womb that has conceived Collectivism. It needs but to be born.



## CHAPTER II

### COLLECTIVISM THE CLIMAX

"We can gather large and growing tendencies and forces, industrial, social, moral and political, and from them, together with existing general facts, we may hazard some broad predictions that probably will be realized in the future."

—*Prof. William Graham.*

Our conclusion so far is, that evolution aims at complete Democracy, which we shall find to be identical with Collectivism, or rational Socialism. This writer has not become a collectivist, because of "the sad details of suffering in the world," in Gilman's words, nor because Collectivism is more reasonable than the competitive system, but solely because to him it is God's evident will, that we sooner or later must reach the coöperative commonwealth, no matter whether it is to be our permanent condition or only a temporary stopping place.

It seems remarkable, that Herbert Spencer can be so blind on this subject as he clearly is. He knows of only two conditions: status and contract; "status," that means personal authority, as it manifested itself in slavery and serfdom; "contract," as it is illustrated in our wage-system. The surprising fact is, that Spencer apparently can conceive of nothing

## THE NEW ECONOMY

beyond contract; hence he is honestly afraid that whenever we abandon contract, there is nothing for us but to return to status—personal authority—and therefore he calls Collectivism “the coming slavery.” Now, is it not remarkable that the political system which we for more than a century have enjoyed in full working order has not opened Spencer’s eyes to the fact that there is something ahead of contract; that there is something besides personal authority and contract—to-wit, impersonal authority, which with us surely is not slavery?

Let us now go back to the Trust. We assumed that the Nation would eliminate the useless appendages—the capitalists—and convert the managers—these paid private employés—into salaried public servants. Will this change make the Trust a democratic institution? Not at all. It will immediately convert the Trust into a social monopoly; so far, so good. It will cause production to be carried on for public benefit instead of private profit. We shall have a vastly increased production, nothing less than abundance, which will create a natural harmony between demand and supply; while the Trust effects an artificial harmony between them by the reverse process, by limiting production.

But now we come to a great advance, which Democracy will effect. The Trust, we saw, has not interfered with the wage-system, while it raised the other elements one step higher

## COLLECTIVISM THE CLIMAX

up—competition into coöperation and private capital into collective capital. Industrial Democracy will make public functionaries of all active citizens, including our wage-serfs; it will in the place of wage-work institute *functions*. This is a change that will have far-reaching consequences.

To be sure, we are functionaries now—all of us who are at all useful in this world. We speak of the “function” of the heart and the liver, and thereby mean the work they do, which is not immediately for their own benefit but for that of the whole body. So we have our functions in society to perform—we really do our work and occupy our places, not for our immediate advantage, but in order to render useful service to the society of which we form a part. We have always been such functionaries, but we have not admitted it, nor do we yet admit it; moreover, we are hardly conscious of it. We, on the contrary, have a notion that the business which we carry on, whatever it be, is entirely our private affair which we are at perfect liberty to conduct in any way that pleases us; *f. i.* we may open and close our stores whenever we fancy. Go into a drugstore and ask for an article; as likely as not you will be answered: “We are at this moment out of it;” and if this answer should draw the reply from you: “You are surely a negligent druggist,” he will most likely open his eyes widely and look upon you as a fool.

## THE NEW ECONOMY

Yet you would have spoken the simple truth. The plain fact is, that everyone of us, industrially or socially employed, whether as a banker, a baker, a teacher or a hod-carrier, is doing his work, because society, and only because society, needs his services and needs them then and there. A man may choose his function in the community, but its duties are not of his choosing; to each and every function there are, by its very nature, certain determinate duties attached, which, and all of which the functionary is sacredly obliged to perform, and to perform well. And we may further say, that to each and every function there is really likewise a certain allowance affixed, which, however, is not at all to be looked upon as a remuneration, not as a *quid pro quo* for his services, but altogether as a necessary provision that will allow the agent properly to perform his task.

In other words, society is and has all along been the center of our industrial activities, while our pay, profits, all private property, indeed, are really only incidental affairs, nothing but secondary concerns. But we all know that no one looks on these matters in any such light; on the contrary we actually place these social relations of ours on their head, upside down; we lay all our emphasis on profits and property, and ignore the part we play as functionaries. What is more and worse, we are compelled to do this very thing. We, all of us,

## COLLECTIVISM THE CLIMAX

must live; many of us very properly seek to gain and maintain a certain social position; now, in order to accomplish these creditable ends, we are by our present industrial system forced to pre-occupy our minds with property and profit-mongering; and the reigning philosophy, which teaches the "struggle for life," upholds and justifies this system.

What we now maintain is that social control of capital, the collective capital in the hands of the Democracy, will make society, this actual center of our economic relations, the center also in our minds; that it will make us conform to reality by reversing our emphasis, and that it will do this by removing the false spectacles which we now are forced to wear. In this connection there fortunately is a historical occurrence that furnishes us a perfect parallel and which, therefore, will very much assist us in understanding this change. We refer to the revolution that centuries ago took place in the minds of our ancestors, when they for the first time learned that the earth is not the center of our solar system but that the sun is. Reflect only on this event sufficiently; try to put yourself in the place of these forefathers of ours. This truly was a "revolution;" it deeply and radically affected their estimate of themselves and of all their surroundings. Their notion of their own relation to the universe, and of the relation of the various objects in the universe to each other, must, of course, have undergone a

## THE NEW ECONOMY

complete transformation; and, most noteworthy of all! humanity undoubtedly then and there sank immensely in their eyes in importance.

Well, some similar tremendous mental change certainly will be effected by the substitution of the social control of capital for its present private control. We say that function will take the place of property—aye, we shall come to look on our function as our most precious property! We shall no longer be under the necessity of scrambling for a living; the necessities and comforts of existence will become matters of course when they are looked upon as the indispensable pre-requisites of useful efforts; the doctrine of “the struggle for life” will be quietly discarded. It is a most natural consequence of such an altered state of things, that the scales will drop off from our eyes, and that we shall come to see our social relations as they really are. In other words, we shall at length become conscious of our being social functionaries and relegate pay, profits and property to the secondary position where in fact they belong. The wondrous change cannot be better described than in this way: At present we are in the habit of saying, “I do this in order to make a living;” we shall come to say, “I am here because I am useful here,” “I am engaged in this work, because I perform it well.” When that blessed time arrives, humanity will, we are sure, rise as much in importance in men’s eyes as centuries ago it fell.

## COLLECTIVISM THE CLIMAX

Now, after this explanation of function, we can at last define Democracy, as it is understood in this volume.

Schaeffle, in his *Quintessence of Socialism*, assumes that "if the notion of equality in the control of work and equality of remuneration be given up, the spirit of democracy is scattered to the winds." Thomas Jefferson was of a different opinion, as we shall see in the chapter on "Individuality," and we agree here with Jefferson. We define Democracy as the form of government where the sovereignty is lodged in the whole people and, in consequence, where the activities of the nation are carried on for the benefit of the whole people and not of any class, and where the citizens will have their economic functions secured to them. That is to say, the idea of function is an essential element of Democracy.

Next, this Democracy must be embodied in a concrete political institution, and this is the Collectivist Republic or the Coöperative Commonwealth. This, then, must be the goal of our efforts, our ideal. Hence it is important to know its leading features.

We define the Coöperative Commonwealth as the state that will own and manage all capital for the benefit of all the people, and which will guarantee to all citizens suitable labors and recompense them according to performance.

It will own and control all capital—not prop-

## THE NEW ECONOMY

erty, please observe! It will not do away with property. Collectivism is not a negation of property, nor is Socialism; it is Communism that is, and there are very few communists in the world at the present time. "Capital" is that part of wealth which is used as means of production, like raw materials, machinery, factories, land—these will be socialized; but all matters for consumption, enjoyment and personal use will remain private property. There are still some minds that will find it difficult to distinguish between capital and property under Collectivism, for whom we use this illustration: a cow whose milk is consumed by her owner and his family will remain private property, but if her milk is sold, and thus a revenue derived from it, the cow becomes capital.

The Collectivist state must socialize capital, because its impersonal Democracy must be the sole sovereign. At present collective capital threatens to become an *imperium in imperio*, if it may not be said to be that already; hence society must turn it into social capital as a matter of self-preservation. It must do it because capital as property is in the way of progress. Machinery and inventions surely should be nothing but social blessings, but they have been made into actual social curses by being monopolized by individuals. That they ever were allowed to become private property seems now supremely absurd, as by their

## COLLECTIVISM THE CLIMAX

very nature they are social acquisitions, admitted so to be by our patent laws; the sole excuse that is at all admissible for having permitted individuals for a limited period to be owners of them is that this was at the time a necessity, in order to have them evolved and brought into being—a temporary historical necessity.

This socializing of capital, however, will in no wise prevent people who are so inclined from saving under the Collectivist *régime*. They can save just as much as they want to, and as they do now; they will be able to use their savings in any manner they choose, just as they do now, with one single exception: they may consume their savings, they may keep them for their old age; they may use them in traveling in foreign countries; they may even bequeath them to whomsoever they please—there is positively nothing in the idea of Collectivism to lay any obstacle in their way for doing that—only they cannot in any possible way “invest” their savings; that is to say, they cannot any longer use them as Socialists would say, to “fleece” their fellow-citizens with them.

Of course, then our comfortable classes will cry out: “What is the use of a man’s possessing a hundred thousand dollars, if he cannot invest his money?” which means, what is the use of a man’s possessing wealth, if he cannot use it to insure him an annual income without work? Well, that is surely a grievance that cannot be

## THE NEW ECONOMY

helped. It is, we must admit, the one unanswerable objection which may play a quite considerable rôle as the battlefield before we reach Collectivism. But while an individual may save to his heart's content, two points should be noted: first, that under Collectivism there will not be the slightest necessity for his doing so with a view to providing for the future, for every citizen is supposed to be insured; next, he will not be encouraged to save, for accumulating capital will be looked on as peculiarly the function of society, and not of the individual at all, and the Coöperative Commonwealth will on the contrary be interested in having citizens spend every dollar of their income, just as, on the other hand, it is interested in having their consumption not exceed their income.

This public ownership and control of capital will be "for the benefit of all the people"—that is, it will do away with competition and the warfare of private interests; it will realize social coöperation. What an anarchy now obtains! due to citizens being opposed to each other and their welfare being opposed to the public welfare. Think of the silver troubles that have plagued us during the last twenty years, and observe, that they arose from private ownership of our silver-mines. Suppose the National Government had owned the mines and worked them, so that the production of silver would have been under its control, do you think that there would have been

## COLLECTIVISM THE CLIMAX

any troubles at all? This social coöperation will make the Coöperative Commonwealth "the perfect state" as it was many years ago defined by the German philosopher Hegel in these words: "The state where all the private interests of citizens coincide with and are identical with the common interests of the whole."

And the Coöperative Commonwealth will guarantee to all citizens suitable work and reward them according to results. It will carry into effect the democratic idea of function, and thereby raise the wage-serf up on the highest rung of the social ladder, thus at last making a perfect civilization possible. That is to say, all citizens will enjoy equal economic opportunities—that which ever has been the American ideal, but hitherto never realized. They all will have their employment adapted to capacity and sex; the square man will get into the square hole, and the round man into the round hole. We shall no longer have men in superior positions whose sole title to our deference and submissiveness is the possession of more or less of wealth. Women will no longer compete with men in men's work, but on application they will be assigned to duties, suitable to women.

We are very sure that the successful Collectivist state will recompense its people according to achievements, which recompense, please remember, is not to be looked on as a *quid pro quo*, but the provision that will enable them to

## THE NEW ECONOMY

work. Bellamy's scheme of equal payments is altogether fanciful. The organs in the human body do not receive the same amount of blood; they are recompensed according to the amount of work they do. Of course, it will be asked: Who is to judge of the performance and make the distribution? Why, this function is effected even now, roughly, certainly, but after all pretty satisfactorily. A watch-maker is paid more for a day's work than a hod-carrier, and the latter does not particularly complain; only he would like that there were an increase of wages all around. The point is, that no injustice is felt, as long as common manual labor is the standard that measures the work done; it is where this standard is not applied that complaint is made. But the Collectivist Republic is pretty sure not to pay any \$50,000 or \$25,000 salaries.

This makes it seem quite natural that wage-workers, organized in the English trades-unions and the American Federation of Labor and Knights of Labor, whenever they have a chance, pass resolutions in favor of the Collectivist *régime*, since it is they who will be most benefited by the change.

And no wonder that we consider this idea of function, as the higher evolutionary stage to succeed the wage-system, the very essence of Collectivism. To treat all alike creates anarchy; to make a class public functionaries makes a bureaucracy; to make all public functionaries constitutes a real Democracy.

## COLLECTIVISM THE CLIMAX

The more remarkable it is, that many European Socialists seem totally blind to this idea; and such blindness accounts for some of the blunders they commit. One of their blunders is the doctrine that in the Socialist state all citizens, women included, will have to perform their share of daily manual labor. Of course, such a proposition strikes an ordinary mind as simply brutal; it actually would level society down instead of leveling society up, as all Socialists mean to do. They who propounded this preposterous notion cannot have the faintest inkling of function, for that teaches us the very contrary—to-wit, that if a citizen has an aptitude for, say, teaching or wood-carving, and especially if he has been trained up to this occupation as such a man is sure to be in the Coöperative Commonwealth—then teaching or wood-carving is his function in the state, and it would be an injustice to society, even greater than to him personally, to require him at any time to do another kind of work, most of all common manual labor.

With the arrival of the Coöperative Commonwealth, and not before, will come the complete solution of the social problem.

Now, do not argue that the Coöperative Commonwealth, however desirable, is not realizable; that, first, it cannot guarantee suitable labors to all, for this is really not to the point at all. We fully believe that when the time has come and the will is there to realize it,

## THE NEW ECONOMY

a way will be found to do it. Suppose a "dreamer" in the middle ages had prophesied, that sometime a city like the present London would be provided with all necessaries, comforts and luxuries by competitive enterprise, how people would have laughed at him! But, we repeat, the objection is beside the point. What we contend for is, that the Coöperative Commonwealth should be our *ideal*, and in the following part it will be shown to be a most noble ideal.

To ascertain our ideal—the guide-star of the twentieth century—is our first task. To be sure, Mr. Gilman lays it down that "the evolution should be determined not by theoretical considerations and the persistent meddling of the doctrinaire, but by spontaneous social changes, often unexpected by the wisest." That is to say, he is a pure empiricist; but empiricism is in our day deprecated by all wise men. All deem it foolish to take important steps in the dark. To stand with a waste before us and no trace of a path in sight, and then not to care for the direction to take, and simply rely on being pushed onward by mere accident is surely worse than foolish—that never will enable us "to tell with wisdom what we shall do to-day."

We admit that there are theoretical speculations that are unfruitful—many of them. Some reformers look upon our society as a sick patient and try to find remedies for the disease.

## COLLECTIVISM THE CLIMAX

But society is not sick, it is pregnant with a new social order; to dose it with their medicine is to act like a quack who would treat a pregnant woman for dropsy. Others say that the present system is irrational and then proceed to invent a rational system. But however splendid and rational our schemes may be, the trouble is that we cannot make society conform to them. This especially is an important lesson to learn for our American people, for they are peculiarly inclined to invent all sorts of improved economic and social systems—we suppose because they have uniformly been successful as inventors in the physical field. Society, however, is an illegitimate field for inventions, for the all-sufficient reason that it is not a manufacture, a building, but an organism; it is—not figuratively but literally—like an oak-tree. We cannot “invent” its future stages of growth—they must be discovered.

There are still other reformers who in order to discover the future stage of growth—the ideal—cling to the deductive form of reasoning of the philosophers of the last century, and argue from the natural rights of man, or from labor as the source of all wealth. But in this part we have reasoned inductively, have started from the Trust, which is a fact, and from the drama of history. The best, if not the only way of learning the intentions of Providence in human affairs surely is to study how it has worked in the past.

## THE NEW ECONOMY

And this writer contends, that the Coöperative Commonwealth will necessarily evolve patriotism. Here we perfectly agree with Mr. Gilman, that "Socialism will find its solution in America rather than in Europe." We have here the immense advantage of being a self-sufficing country, while Great Britain is the very reverse; and, moreover, it should be a great thing that we have achieved political Democracy—even but in theory. Here, fortunately, Collectivism has not yet become a class-movement, as it unhappily is on the continent of Europe. The very greatest blunder which the Socialists there have committed is that they repudiate patriotism and deliberately preach a war of classes. Patriotism should be looked upon as essentially a Collectivist virtue, for the nation is the natural, intermediate step in the evolution of organic humanity, and further, a precious organ of social progress. Our country should be considered the practical bond that unites families, while love for humanity is as yet but a sentimental bond, too weak to act on any but the choicest spirits. To be sure, to most people patriotism is really collective egoism, but this is already a considerable advance; it is really family egoism, raised up one immense step, and it is the idea of our common country that has achieved this admirable advance.

But to Collectivists patriotism should mean much more; it should move them to perfect and

## COLLECTIVISM THE CLIMAX

push on our nation, so that it may be a model to other peoples and an effective organ of humanity and of progress; and for this purpose we have a right to do everything that is necessary or merely expedient—this will later on be found an important consideration in determining the steps we should take. But Socialists on the continent of Europe have actually been weaned away from all love of country until they, in the Parisian insurrection in 1871, became thorough reactionaries by constituting the "commune," the township, the sovereign collectivity, and not alone are they thus anti-national, but they cherish positively anti-social aspirations, and teach that our further progress must be made through the world-wide unions of the working-classes alone. This, of course, means nothing but civil war; it is a deplorable aberration that really should make us dread their success as much as their defeat.

Class hatred—what a sandy foundation on which to construct the new social order! No, that old French Socialist, Pierre Leroux, was right when he said: "Government is the essential organ of fraternity." And, again, our country effects our organic union with the past and the future; it coördinates all individual efforts, carried on by successive generations, and thereby it becomes to our memories and our aspirations the center that we temporarily but strongly need. It pledges us to posterity.



## PART II

# Industrial Democracy a Most Noble Ideal

*"Civil Society is a corporation, established for a moral object."*

—HUXLEY.

*"To issue from primitive simplicity and suddenly to grow enormously rich threatens immorality and ruin. This we now witness in the United States."*

—DE LAVELEYE.



## CHAPTER III

### RATIONAL MORALITY

"None is accomplished as long as any is incomplete."  
—*Emerson.*

"Although selfishness is a sin, selfness is a virtue."  
—*Henry Ward Beecher.*

In the preceding part we have tried inductively to demonstrate that Industrial Democracy, or Collectivism, is inevitable, is God's evident will, "no matter whether it is to be our permanent condition or only a temporary stopping-place." Part II, on which we now enter, is intended to prove that Collectivism, rightly understood, is a most worthy ideal, and therefore deserves to be, and will become, our permanent state. Hence the popular objection that Collectivism has morally and socially mischievous tendencies, that it will crush out individuality and be "the coming slavery," is founded on misapprehension and misinformation.

We assert nothing less than this, that Collectivism will reconstruct ethics on an intelligent basis, that it will wonderfully strengthen morality, and especially altruism, by securing to us all real freedom, and that it will greatly stimulate individuality (which is nothing but moralized egoism) by giving to every capacity

## THE NEW ECONOMY

its right place. The noblest among us then—those whom Matthew Arnold quaintly called “the remnant”—that is, the enlightened, warm-hearted few who must be the instruments for raising up society on a higher plane—should in this part find the most powerful motives for their efforts, and, when convinced, will bless the advent, and work for the advent, of this new social order.

It will have been noticed that Collectivism is exclusively an economic system—the realization of Democracy in industry; hence it can have nothing to do directly with morals and religion, but indirectly it has everything to do with them. This is on account of the fact which is generally overlooked that our industrial, economic relations are the foundation of society and of our civilization, while morals and religion are their flowers and fruit. As such foundation it is our material condition that precedes our mental development; just as in a garden, while the fruits and the flowers are to us the desirable objects, it is the roots underground that condition them, both their existence and their quality.

This is the reason that “the monotonous emphasis of Socialists is upon the material side of life,” as Professor Gilman complains. It is not at all that we prefer material things to higher objects—this writer will be found to be much more of an idealist than a materialist—but it is that we know that the masses of men

## RATIONAL MORALITY

cannot be moral and religious in their present insecurity, dependence and exposure to all manner of temptations; or as Huxley says: "It is futile to expect a hungry and squalid population to be anything but violent and gross." Therefore we say that the first thing needful is to change the material circumstances of our people; then will come a change in our ideals, if present society can be said to have anything worthy to be called an "ideal." Has it?

It has been observed that our reigning philosophy justifies and upholds our competitive system. We now affirm that it is the competition in our daily affairs that has created this philosophy and afterward made it acceptable to us. All the influential writers of our age are permeated by the competitive spirit, but it is Herbert Spencer who has been the principal expounder of this philosophy to us, so much so that he may be called *par excellence* the philosopher of this competitive era. There is a curious contradiction in Spencer's writings to which also Huxley (in *Administrative Nihilism*) has called attention. While he has devoted essays to demonstrating that society is an organism, all Spencer's social and moral speculations start from and are throughout controlled by the opposite assumption, adopted, it would seem, unconsciously to himself—to-wit, that we are purely autonomous individuals, with no vital organic relations between us at all; that we have come into this world, each exclusively for

## THE NEW ECONOMY

the sake of himself; that in consequence society, far from being an organism, is rather to be compared to a heap of sand—a heap of conscious grains of sand, whose sole business with each other is simply that of getting along together as tolerably as possible.

This, as a matter of fact, is the reigning philosophy, and Spencer has become as popular as he is because he has most perfectly given expression to it; hence, he has very cleverly been styled “our philistine philosopher.” This philosophy originated with the genesis of private capital, and it has spread with its growth; the preceding centuries knew absolutely nothing about it. Lecky confirms this by saying, in *European Morals*, “When we look back to the cheerful alacrity with which in former ages men sacrificed all their material interests to what they believed to be right, and realize the unclouded assurance that was their reward, it is impossible to deny that we have lost something in our progress.”

This “something” which we have lost, not compensated for by our vast material progress, was, we say, the inner, underlying meaning of all the robust faiths of the past, with all their myths and dogmas. We mean the conviction of our belonging together, the sense of man’s organic unity, of the solidarity of men. This actually was what dominated the ancient Greeks, Romans and Hebrews, as also the Christians during the age of faith. With the

## RATIONAL MORALITY

ancients this conviction was very strong in the form of devotion to the commonwealth, which we know was the vital principle of their polity. It is here very instructive to observe how wholly incapable Herbert Spencer is of comprehending this feeling, for he speaks of the Greek citizen being "a slave to his city!" Why, this devotion to his state, this close fellowship, was a very necessity to these ancient people! This living Athens, these altars, these customs, were to them a part of their very being, without which they positively could not live! And we know likewise, that the Hebrews were moulded into unity by their ideas about Jehovah, their national God, who held out promises and threatened punishments, always referring exclusively to the national life of the entire people, always bringing general weal or general woe upon their commonwealth. Surely this was solidarity in its strongest expression. But there was a deplorable limitation to their sense of man's organic unity in all these ancient folk; they narrowly confined it to a very small part of humanity, to the freemen only of their own city or at most of their own nationality; all others were barbarians, out of the pale of their fellowship.

The Christians of the middle ages showed themselves far broader-minded than the ancients, but manifested an equally strong sense of human solidarity by making human nature divine in Jesus, the son of God, there-

## THE NEW ECONOMY

by conferring on all beings with a human countenance a supreme common dignity, and, as has been said, "providing prince and peasant with the same means to reach an identical glory."

Unfortunately, they also introduced a lamentable defect in their conception of the solidarity of men, by substituting for the unity of the race the unity of the elect—that is to say, they illogically divided their deified humanity in two parts and gave to each a different destiny. This defect Protestantism later on aggravated, and has thereby done very much to arouse man's coarsely selfish concern for his soul—that is, for his private salvation. Indeed, Protestantism has just thereby paved the way for our unbridled individualism.

Now comes Collectivism, and it once more revives the conviction of men's solidarity, and it is hoped will once for all complete it. The Collectivist *régime*, or the Coöperative Commonwealth, will, with its public functions and social coöperation, make all citizens of the state conscious of their organic unity, will indeed impose this unity on them as a fact, just as it was imposed on the minds of our ancestors. We shall become conscious, that humanity is indeed the very reverse of a heap of grains of sand; that on the contrary it is an organism—that is, a whole whose parts are reciprocally means and ends and partake of a common life. We shall come to feel it "in our

## RATIONAL MORALITY

bones" that humanity is an eternal, progressive, social organism, with one destiny; and that we have come into this world with a work to perform, and that is to advance humanity toward its destiny.

Unfortunately, even as early as this, a defect similar to that of the two previous periods has been introduced, and that by Socialists on the continent of Europe. They admit human solidarity, yet they do all they can to substitute for it the solidarity of the working classes alone. They make the blunder of parting society in two parts by a horizontal line: The wage-workers below and all others above the line. Then most lamentably they preach a class-war between the two sections. "Class-war"—that is actually what they have made their wretched shibboleth.

Here in America, however, where, fortunately, class hatred is as yet only in embryo, we hope that the grand doctrine of the organic unity of the whole of society will be maintained. In that case, under Collectivism, humanity will at last come to self-consciousness. Men will come to inquire: Why is there such organic unity in men, and not in horses and dogs? Why, indeed, unless man has actually an end to accomplish, a destiny to fulfill, in a way that animals have not. Human life, in consequence, will have a new meaning for us; we shall come to look on ourselves and on all our fellow-men as precious tools and

## THE NEW ECONOMY

responsible agents for advancing humanity's destiny, which is our own destiny. We shall become intensely interested in our fellow-men; we shall become personally ashamed of our vulgar, venal and vicious fellows, for we shall feel that they degrade our own manhood, and that we are responsible for them and for their vices. On the other hand, we shall feel proud of our Shakespeares and of all our great characters and geniuses, for we shall know ourselves as part of them and them as parts of us, and be conscious that they have ennobled each of us personally. We shall be conscious that they were and are great as men—such as we are.

This, indeed, will be a new interpretation of life. We may call it a new faith and say, that it is a synthesis of the ancient and the Christian faiths, appropriating from the former devotion to the commonwealth and from the latter the conception of a divine humanity. This new interpretation will give to life not merely a new meaning, but a contents: it will fill out life completely to the exclusion of all miserable fears for our private salvation.

With this new interpretation of life, accepted by our people as the outcome of a Collectivist industrial system, we at last can have a rational morality, and hence a higher morality. Morality means right conduct in life—conduct, conforming to right convictions as to the meaning of life. There is now no word in our language so loose and so vague as the word "moral."

## RATIONAL MORALITY

This is most natural, since we affix either no meaning to life at all, or such a palpably false one as that we are simply a heap of conscious grains of sand. In consequence our practical morality has become either a lubricant—a kind of grease wherewith to ease the friction of our social machinery—but containing not one element of law, and therefore in no sense moral; or pure pharisaism, teaching reputable people how to be better than their neighbors and to hold aloof from their fellows.

We need only listen to the conclusions of two modern celebrated expounders of theoretical ethics, Professors Sidgwick and Leslie Stephen, in order at least to understand, that there actually are intelligent people in the world who despise current morality as fit only for bibs and tuckers. The first professor, in the closing pages of his *Method of Ethics*, confesses: "I am unable to construct any systematic answer to the question, what is the ultimate good?" and the latter closes his *Science of Ethics* with the words: "It is a hopeless search"—what? that, "after some reason binding any man simply as reasonable;" this, to be sure, is even a worse predicament for an ethical teacher. What are such ethics and such morality but worthless and contemptible? And it is plainly due to the fact that the foundation is rotten; our morality is what it is, because each self, each soul, is exclusively its own center; because we are immersed in the bottomless

## THE NEW ECONOMY

delusion that man can live for himself alone—a delusion only tolerable now, because we are living in a transition period, but which, should it ever become our permanent ideal, would convert us into howling hyenas.

Now, look at the transformation that will take place when the new interpretation of life compels us to make society our center. Why, *it will introduce the same order into morals that the Copernican system founded in astronomy.* These two orders of ideas are exactly parallel. The disorders in our moral teaching and practice are just as much due to our focusing our moral world in the *ego*, in self, as the errors of Ptolemaic astronomy were due to the blunder of making our earth the center of the solar system. But Collectivist ethics, by referring all our actions to society, to humanity, as the center, will make everything fall beautifully into its right place, just as everything in the solar system did the moment Cöpernicus made the sun its center.

Now we come to a second important point. Our new interpretation of life tells us that we are indissolubly and organically bound together; hence that humanity's destiny is our destiny and the social welfare our welfare, in precisely the same way that the health of the human body conditions the health of each and every organ. Then surely this social welfare is the "ultimate good" that Sidgwick could not ferret out; and it is equally sure that we shall

## RATIONAL MORALITY

strongly want to lead a life conformable to that conviction. That is to say, we have at the same time found out what Leslie Stephen declares it "hopeless" to search after—to-wit: that a "reasonable" man then will have sufficient "reason" to be certain that selfishness—that is, making self a direct and exclusive end—is both vicious and a foolish, feverish dream.

Here is our new point: this does not mean that consideration for self should be banished; in other words, Collectivist morality does not mean pure altruism or pure unselfishness. "Self" is a constituent part of human nature of which we can just as little divest ourselves as we can of our shadows; indeed, it is impossible to have regard for others, unless we esteem and value our own selves; hence it is not alone perfectly right to care for self and to pursue our own interests, but we ought so to do; it is our duty. Egoism, in other words, must be made an integral, an essential element of morals, without which, emphatically, morals could not exist at all. The reconciliation between these seemingly contradictory propositions is effected by insisting that it is your true self for which you must care; it is your real interests and your highest welfare you should pursue, and this is accomplished by making self an indirect, instead of a direct end. Seek your individual welfare—this is your solemn duty—but accomplish that object through the collective well-being; this is the

## THE NEW ECONOMY

only way you ever will do it. The French Socialist, Pierre Leroux, fifty years ago clearly had in mind the same idea, but he propounded it in the following rather obscure phrase: "*La loi de l'homme n'est ni le sacrifice, ni l'egoisme, mais la solidarité*" (the law for man is neither sacrifice, nor selfishness, but solidarity).

Now we can define rational morality, true morality, Collectivist morality if you please: it is with might and main to strive after the collective well-being, because this is our "ultimate good." Now, further, egoism and altruism fall into their true places. Egoism does actually become an integral element of morality—morality is now seen to be a shield, where egoism forms the one side and altruism the other, but this is not gross egoism but moralized egoism. For the former we have a good English name—selfishness; but for the latter we have none. As a word for moralized egoism we therefore shall propose *selfness*, a word to be found in one of Henry Ward Beecher's sermons. Selfness says: you shall care for your true self, but you can care for it only by looking on yourself as a precious tool and responsible agent in advancing the social welfare. Collectivist ethics thus will, of course, inculcate personal cleanliness, but will do it on the ground that you cannot perform your social duties properly, without being habitually clean. In this way some strong human passions will be ennobled, among them ambition. This is

## RATIONAL MORALITY

because we often require a most robust egoism in order to have the necessary efficiency and enthusiasm in the performance of our duties to society. We contend that ambition in the service of society is one of the noblest of passions; and in the coming social struggles it will be most desirable to have in our midst many highly ambitious men and women.

In the same way altruism will be rationalized—altruism, which perhaps may best be rendered into English by calling it fellow-feeling. This at present is purely a sentiment, and hence a very weak motive force; moreover, this in our days is really all there is of morality. But morality must become a law, or it is worthless; it must be an inexorable but beneficent law. Altruism can become strong as steel by being made rational, and when that is done we shall find, that human solidarity is indeed the bond wise men have been seeking after that might become *authority*. Altruism will be rationalized when we come to look, not now on self, but on our fellow-men of every degree as valuable tools and actors in working out humanity's destiny, and treat them accordingly. In other words, we substitute our intellect instead of our feelings as springs of action, and this has this immense gain, that we recognize its authoritative force.

When we see in our fellow-citizens destined co-workers in advancing the social welfare—which we know is also our individual

## THE NEW ECONOMY

welfare—then, of course, we deem it only irrational to compete with them, and on the other hand simply rational to coöperate with and emulate them; then it will seem nothing but rational to reverence our true superiors and second their efforts. On the other hand, personal authority and dependence on individuals will then appear to us in a high degree irrational, while sacrifice even may easily become rational to us, when in last resort it is simply the sacrifice of our lower self to our higher self. Thus morality is a law and not merely a sentiment.

A friend of this writer, Prof. Julius Platter, of Zurich, Switzerland, has this objection to the foregoing view, that “a thorough devotion of citizens to the commonwealth is now forever impossible, because the essential prerequisite for it was the confinement of the governing element (the state) to one city, with which the citizens stood and fell, and this in modern nations is necessarily and irretrievably lost.” To be sure great nations have forever displaced cities like Athens and Rome, but to say that this makes devotion to country impossible seems to us far-fetched. We contend that such devotion will germinate and develop as the benefits which the commonwealth confers on the citizen become more and more apparent, and he himself becomes more and more a constituent part of the state. Patriotism will gradually assume the form of gratitude, when

## RATIONAL MORALITY

the Coöperative Commonwealth actually becomes Providence on earth to man.

Perhaps the foregoing may enable us to account for the power of the literature of the ancients over us. The fact that they so much insisted on devotion to the state and on public spirit, joined to the fact that historic Christianity wholly neglected these sentiments, may very likely be the reason for the *élite* of mankind so persistently clinging to these Greek and Latin classics.

It is said by Guizot and other individualists, that "man is not for society but society is for man." We should correct this and say: "Man is for society and society is for man." That is to say, we have come into this world, and are in it now, precisely in order that we may serve humanity—in the first place in order to advance our country's welfare—because, we repeat, this is the appointed way of accomplishing our own highest destiny.

Is not this collectivist morality good common sense? Neither selfishness nor unselfishness surely affords any basis that satisfies the most ordinary intelligence. There is one touchstone that settles the matter and that is—happiness. Selfishness is clearly the foe of happiness; whenever anyone on purpose pursues happiness, him we know it surely evades; he never finds it. On the other hand, pure unselfishness is impossible; no son of Adam ever escaped from self; the greatest saint had for motive some

## THE NEW ECONOMY

form of selfishness, even while seeking the golden crown of martyrdom.

Carlyle's words: "Live to make others happy! This is mere hypocrisy—avoid cant!" may sound cynical, but they contain the simple truth. If you say that you will live to make strangers happy, for their own sakes, your talk is hypocrisy and cant. But if you say that you will live to make your fellow-men happy, because you know that thereby you are working out your own highest destiny; that "nothing human is foreign to you" for that reason—that is rational and wise. Happiness is the natural consequence of fulfilling the moral law; thus "selfness," as we have defined it, is proved to be the legitimate prompter to, the rightful spring of, action.

Thus we ask you, the minority, to help raise the whole society up on a higher plane for your own sake; for you cannot save yourselves, or be saved, on this earth or elsewhere, but by bearing your brethren aloft with you. You must know that "none is accomplished as long as any is incomplete."

## CHAPTER IV

### FREEDOM

"There are two freedoms: The false freedom, where a man can do what he likes, and the true freedom, where he can do what he ought."

—Charles Kingsley.

In the previous chapter we came to the conclusion, that Collectivism will reconstruct morality on an intelligible, unimpeachable basis, thereby making it into a law, instead of a mere sentiment. We pass over to a discussion of freedom, which on one hand is closely connected with economics and on the other hand is a prerequisite to living a moral life. Freedom is the point that connects collectivism and morality.

Now, what does it mean to be "free"?

We have in our English language two words: "liberty" and "freedom," that we unfortunately are in the habit of using indiscriminately. And yet, we may be sure, that there is a difference, even an important difference, between them, just as we in the next chapter shall see there is between individualism and individuality. Liberty, in the first place, is a Latin word, while freedom is of Anglo-Saxon origin; liberty, next, is a purely negative term, but freedom is decidedly positive. Liberty simply denotes the absence of restraint; to be "at

## THE NEW ECONOMY

liberty" means not to be controlled. Now it is easy enough to see, as soon as we only reflect, that the condition of not being restrained may under some circumstances be a very bad one, as under others it is a very good one; but we rarely think of this, for liberty happens to be a splendid illustration of the magic power which mere words may have over us. We say deliberately that liberty has unfortunately in our country degenerated into a most pernicious condition. Some time ago an employer, who liked to roll "liberty" under his tongue, was as a witness asked to give his definition. He answered: "Why, liberty is the right of an American to do as he d—d pleases," and added, "this is the American ideal of manhood." Well, unfortunately he was right; our competitive system has given some Americans, a very few, such a right, and it is looked upon by altogether too many as our "ideal of manhood."

But the eternal verities protest energetically against this whole conception. No American has a right, no man has a right, to do as he pleases; and the better citizen a man is, the less will he do as he pleases. It is rather fortunate, we might say, that comparatively few Americans are so situated that they can do as they please. For to do as one pleases should not be dignified by being called liberty—its proper name is license. It is this license that has been our besetting national sin, almost

## FREEDOM

ever since we were in our cradle as a nation; it is this license, that, on one hand, has raised up haughty millionaires who sneer at the public will and the public weal, and mark! it is the very same license that, on the other hand, has reared up our ruffianly, prize-fighting youths. Liberty, then, is a condition that can both be used and abused; we have shamefully abused it, and our present economical system is directly responsible for the abuse.

But freedom, strictly speaking, cannot be abused. It is a positive acquisition, as was already said. Indeed, it is supplementary to morals. I am moral, when I have the inclination to do right; I am free, when I possess the power to do right; aye, I am free only when I have the power to do what I ought to. That is to say, power is an essential, integral constituent of freedom; freedom is power, as also Locke observed. Freedom once was a privilege, just as property now is; “the freedom of the city” meant the valuable right to work, produce and trade within its limits; it was freemen, exclusively, who had the right to send representatives to Parliament. The freedom we mean is Kingsley’s “true freedom,” while liberty is his “false freedom;” Wordsworth calls the latter “unchartered freedom.” Now, freedom has in theory been made the inalienable right of all our decent people; practically, however, the very reverse obtains; the masses of our citizens are positively un-free; and they

## THE NEW ECONOMY

are that, really and truly, because a few amongst us are altogether too much "at liberty." We cannot enjoy our right to freedom, because our powerful fellow-citizens abuse their liberty.

We said that freedom is closely connected with economics; it is dependent upon our enjoying security and independence in the economic sphere. But free competition is a condition where none but the successful few are free. Yet we can not lead moral lives at all, unless we are free, unless we have the power of freedom. Hence, not liberty, not equality, but freedom is the ideal of Collectivists and should be "the ideal of manhood" for us all. And it is freedom that the new education will have for object.

Take all the different classes of our people and in all of them without exception we shall find the same lack of freedom, lack of power to do what they ought to—in our business-men, our farmers, the servant-class, the great army of the poor, our wage-earners—all except the small handful of plutocrats who have a monopoly of "liberty," of license.

As to business-men we need only appeal to the testimony of Herbert Spencer—that dogmatic individualist—in his essay, *The Morals of Trade*. He there asserts that all competitive business is by its very nature corrupt; that it is impossible for an honorable man to conduct his occupation in an upright manner, for the

## FREEDOM

simple reason that always the scoundrel sets the standard and the pace. It is the rascal who commences to adulterate goods, and the honest man must follow suit or go into bankruptcy. And suppose he should do the latter, then, Spencer adds, he actually injures society more than if he had joined in the adulteration.

Another suggestive fact: it is authentically asserted that ninety-five per cent of the whole merchant class in our country commit bankruptcy once in their active life. Again, we all know how the big enterprises and the so-called department stores little by little, but in an increasing ratio, drive our smaller businessmen out of business on their own account and compel them to enter their own service as salesmen—all by virtue of competition. Surely, none of the men here mentioned can in any true sense be said to be free.

Now consider our farmers, who of old have been looked upon as *par excellence* a free and independent class. In one of the touching farmer-stories of Hamlin Garland, one of his characters is made to exclaim: "Life is a failure for ninety-nine per cent of us." But then there is little need at this late day to tell Americans of the farmer's dissatisfaction with his condition, or even his reasons for this dissatisfaction, of his isolated life, of his burden of debts, and his fears of becoming a tenant-farmer, as so many of his brethren have already become.

Professor Gilman could write in 1893: "Least

## THE NEW ECONOMY

of all is the farmer a sentimentalist; he is conservative to the last degree"—that cannot be written since the last election. In that election he told his mournful story and, like a drowning man, clutching at the last straw, he frantically voted in his millions for Free Silver. Fortunately for himself and the country he did not then succeed, but he has imbibed a grim, almost righteous hatred of the plutocracy—the "money-power," as he calls it. The present high prices for his staples, mainly on account of failure of crops elsewhere, will for the moment relieve him, but his class is doomed to deteriorate as long as the competitive system lasts in all its intensity.

Again, think seriously of the wage-earners who are so lucky as to have steady employment; of our fellow-citizens under that wage-system which is the very essence of the capitalist order of things! Think of the insecurity and dependence, which day by day makes the workman subject to his employer's favor and every whim, first in order to obtain and then to retain his very daily subsistence. That is to say, he must identify himself with that one man's private interest—that is a *sine qua non* of the system—no matter if the latter is his inferior in every essential human quality, or if he be the rascal who adulterates goods or in other ways carries on warfare with the highest interests of society.

In other words, the wage-system possesses

## FREEDOM

this miserable feature which organically relates it to ancient slavery: that the workman still is a means to his master's private ends, which we remember was the definition of slavery; now he is fortunately something else besides that, but this is enough to make the wage-system immoral and degrading; it degrades the workman's manhood. Has such a man power to do the right thing? And let us not forget that there are in our country four millions of such wage-slaves, mostly with families around them, engaged in the manufacturing industry alone.

Then remember the numbers of very poor and the "reserve-army of labor," as we called them, who are in a still worse predicament. It is actually a serious question, whether the serf who had no liberty, but who possessed security, was not more "free" than our working-classes. John Stuart Mill, who cannot be charged with being an agitator, deliberately asserted: "The majority of laborers have as little choice of occupation or freedom of locomotion, are practically as dependent on fixed rules and on the will of others, as they could be in any system, short of actual slavery."

And as to the servant-class, we know that our American girls show a distinctive repugnance to such service and persist in refusing it, for the principal reason that all their time is then at the arbitrary disposal of their mistress. This refusal is rather to their credit, we should say; for here, observe, we are not con-

## THE NEW ECONOMY

cerned with good nourishment and good clothes, but with freedom, and it is a good sign that Americans are so sensitive to the deprivation of it.

Let us here observe that the great mischief of the present system is not at all that there are rich and poor in the world—so we may have, as far as we now can say, comparatively rich and poor men in the Coöperative Commonwealth—but the mischief is this, that the poor are dependent upon the rich; that they of necessity must have a share of the wealth that is in the hands of the well-to-do, and hence that they must apply to them for work and accept their terms. That is the terrible power the rich under the present system exercise, and it is clearly an illegitimate power.

This writer can never forget his experience in the little town of Spring Valley, Illinois. This was then a town of about 6,000 people; there was practically but one occupation, that of coal-mining, and but one employer, the coal company, which owned the town-site and in fact had brought the people there and sold them lots on the promise of steady employment. On arriving we found the whole population in great ferment, mortally afraid that any fine morning there would come a thunder-clap in the shape of a telegram to the superintendent, ordering him to shut down the mines, which all at once would deprive not alone the miners but all the 6,000 people of their livelihood. They knew

## FREEDOM

already from experience what such an order would practically mean to them, for some years back such a dispatch had actually come; the mines had been shut down, and the whole United States had for six months been listening to the moans from the starving miners of Spring Valley. Hence the frightened inhabitants were thoroughly cowed and the one Protestant pastor in the town dared not allow this writer the use of his church for an address. This was a remarkable object-lesson on the formidable power, illegitimate power, now possessed and exercised by capital; but it is the same everywhere in our country, (only elsewhere more or less veiled by the multiplicity of interests which there obtain.

Ah, what a frightful struggle, for virtually all this getting of a living is under this competitive régime! So frightful, that we with equanimity submit to loss of freedom as long as we may have a mere living. Aye, it is the plain truth, that it is impossible for us to lead moral lives for lack of freedom; our hand must be raised against everyone, since everyone's hand is raised against us.

But we have not yet done with stating the way in which our system hampers us. We are moreover outrageously tempted to wrong courses by the social order under which we are living. It is a damnable fact, that cries to heaven for redress and yet is strangely ignored by good people in general, that we all of us

## THE NEW ECONOMY

every day of our lives are actually and persistently being tempted into doing what we assumed the scoundrels and rascals were the first to do, tempted into devising a new adulteration or into some other rascally, swindling operation; that we are all of us, good as well as bad, daily and hourly being tempted into gambling and other similar anti-social obliquities, the more so as all our business is more or less gambling; worst of all, that poverty-stricken women among us are sorely tempted to dishonor themselves—and these temptations, mark! proceed from society, that ought to be man's Providence on earth.

These temptations are thus to be added to the lack of freedom to which we must submit; and when we bear all these frightful conditions in mind, it is remarkable that human nature is as good as it is. Opponents of Collectivism sometimes urge that human nature is too weak, even too vile for it. Why! it is actually a wonder under the circumstances, that there are so many good men and women in the world as there really are; and this fact may well permit us to believe, that humanity is really the visible body of the living God. But to the poor especially these temptations—these too many virtually irresistible temptations—are terrible evils.

Freedom—this glorious boon in the moral sphere—will become the heritage of all our people, as soon as the Coöperative Common-

## FREEDOM

wealth is established, because it will guarantee us all security, independence and property, by securing to all citizens labor and recompensing them according to performance. Then everyone will be master of himself and his actions. Property is a prerequisite to freedom. Most thinkers conclude that property is a necessary adjunct of individuality, but it is much more correct and of greater importance to say, that it is a necessity to all free men; that without it freedom does not exist.

But property will have another definition under Collectivism than it now has. Now it is an essential part of the legal definition of property, that the owner may "use and abuse" it, and it has been so ever since the Roman law was established; hence it is that one of the principles on which our present social order is founded is, that everyone has a right to do with his own "what he pleases." We may be sure that the Coöperative Commonwealth will do away with "the right" to abuse, and in its definition will very likely get pretty near to one, proposed a century ago in France—to wit: "Property is that part of the fruit of a citizen's labors which the law guarantees to him;" and then the law will see to it that the citizen cannot abuse it.

The natural consequence of this right "to do with his own what he pleases," to "use and abuse" one's property, is, that property confers such immense power over others, because, as

## THE NEW ECONOMY

we have already seen, others are obliged to have a share of it, however small. This is at present the strongest motive for accumulating large fortunes; without it men would scarcely care to acquire more than enough to pass a decent old age and start their children in the world; Jay Gould certainly would not have wanted to amass his seventy millions but for the power they conferred on him.

Now, men will always seek after power; it is undoubtedly an ineradicable element of human nature, and hence property will, we may be sure, always be abused to that end, as long as it exists in its present form, just as liberty has been abused. It would, however, be a great mistake and injustice to make this a crime in individual rich men, for it is safe to say, that any poor man, suddenly raised to the position of wealth, would act in precisely the same way. The fault lies in the system. Property must be placed on an ethical basis; exclusively be the fruit of individual useful efforts. This therefore is another criticism of the wretched phrase, that "a man has a right to do with his own what he pleases," that capital is not "his own;" no man can during a lifetime produce the value of even but one million dollars by his individual exertions; many other men must contribute to it. This illegitimate power will be torn up by the roots by the Coöperative Commonwealth, when it socializes all means of production; then property will be placed on an

## FREEDOM

ethical basis; it will cease to be a privilege secured by law to the few, and every active, useful citizen will be encouraged to acquire it. But it is worth while remembering, that one's function will be reckoned one's most precious, inalienable "property." We shall see in the next chapter that the elementary thirst after power will be gratified in other ways, to the great benefit of society.

And as to provision for old age we have already assumed that all will be insured by the state; no citizen, employed and liberally compensated by the commonwealth, surely will consider it a hardship to hand over to it every month a pittance of their income as premiums.

But not alone will Collectivism secure freedom to its citizens; it will further refrain from tempting them the wrong way—as present society indisputably does—and, next, absolutely tempt them the right way; as it is the positive duty of society to do. We know there are some people who will sneer at virtues that have not been tempered in the fires of temptation; but they are comparatively well-to-do folks, who consequently never have been exposed to the temptations of the poor and cannot have the least conception of their overpowering mastery. Even they daily pray: "Lead us not into temptation!"

Look at this conspicuous difference between the present and the future: Here we have a common man, lazy, refractory, perhaps dis-

## THE NEW ECONOMY

honest; he has acquired these unsocial qualities in a most natural way, because the social atmosphere that he was breathing tempted him with his every breath, and because it unquestionably is natural for human nature to give way to strong temptations.

Now transfer him suddenly into the midst of the conditions of the Coöperative Commonwealth; all is so different there. He is then secure of a decent, adequate livelihood, strictly proportionate to his performance, and of his "function," his work for the time being, commensurate with his attainments; he can feel himself perfectly independent of every other human being, but like all other citizens he will be dependent entirely on the impersonal collectivity; he will know that all that will be expected of him is that he will do his very best in the position into which his own preference and aptitudes have placed him, and he will know in addition and for certain, that there is no longer any need of his looking sharply out for his own interests, but that they are carefully safe-guarded in the various circles where he is a consumer—well, is it not the most natural conclusion in the world, that this lazy, dishonest and refractory man will gradually be turned into a painstaking, honest and compliant citizen? Not all at once, of course, but gradually the average man will experience and manifest such a change, for it is simply human nature.

## FREEDOM

But mark, Collectivists do not at all count upon radical reform in those living when the great change is taking place, but on those born under the new commonwealth; it takes time and trouble to make crooked sticks straight. But we say that there is no need of changing human nature in order to have a virtuous people; it is conditions that need a change. Human nature is all right for us; it is natural for it to give way when tempted the wrong way, but fortunately it is equally natural for it to respond, and respond immediately, when tempted to do precisely what ought to be done. And this the Coöperative Commonwealth will do.

It will make us free!



## CHAPTER V

### INDIVIDUALITY

"Individuality is everywhere to be respected as the root of everything good."

*—Jean Paul Richter.*

"Individualism is the same old enemy with which morals and religion have always had to contend."

*—N. P. Gilman.*

Individuality is an integral element of morality and is the fruit of equal opportunities in the economic sphere, as freedom is of security and independence. The fear of good people that Collectivism will crush out individuality is perfectly groundless, as will be here shown; but it is very natural, because many Socialists, and Edward Bellamy, also, have misrepresented Collectivism by mixing up with it many personal conceits of their own. First of all, it is important to distinguish between individualism and individuality, as we did between liberty and freedom.

Individualism is the character formed by gross egoism; individuality is the character formed by moralized egoism. Individualism denotes the moral character of man, formed by our present competitive system; individuality the moral character of man in his true relation as an organ in the social organism. It follows

## THE NEW ECONOMY

that individualism, license and competition hang together; and individuality, freedom and emulation belong together.

It is highly confusing that in common speech we talk of two kinds of competition, and two kinds of individualism, a good and a bad kind of each; there is no need of this, since we possess splendid words for our purpose. Let "the old enemy," in Gilman's words, be called individualism, and the noble character individuality; let selfish, cut-throat competition remain competition, pure and simple, and noble rivalry emulation. These latter can be compared to a race. Competition a race where the winner, in grasping the prize, elbows the weaker man aside, and emulation a race for distinction, in which both the winner and the loser gain, each to the extent of his efforts.

Now, we contend, that what Collectivism will crush out is individualism and competition, while individuality and emulation will be fostered and developed to an extent of which we at present can hardly conceive.

And individualism surely ought to be crushed out: it is falsehood, it is cannibalism and it is social anarchy.

It is the lying demon, that wants to persuade us that man can live for himself alone and that thereby he can attain happiness, which we know is false; it is the character it creates that has been, we repeat, our besetting national sin ever since we were in our cradle as a nation.

## INDIVIDUALITY

Individualism is cannibalism, justified by the doctrine of "the struggle for life." But the doctrine is false as applied to civilization. Horses and dogs and complete savages do not form social organisms, and to them the struggle for life applies. But civilized men do form such organisms; now in all organic structures the individual cells and organs, instead of struggling against each other, coöperate together in struggling against their surroundings. Huxley will here be a good authority: "The characteristic of civilization," he says, "is the elimination of the struggle for existence by the removal of the conditions that give rise to it." It is a fact, full of promise, that our organized workingmen are aware of the malignity of individualism and competition far better than are our judges and professors, and that they even are coming to look on that workman as positively immoral who holds aloof from his fellows and refuses to enter the union of his trade.

And individualism is social anarchy, which is still worse, because by affecting the whole society it affects every member of it. Also here it is well to quote Huxley; he defines the individualist as "one in whom the duties of the individual to the state are forgotten and whose tendency to self-assertion is dignified by the name of rights." We have already noticed that ships and railroads are not built to carry passengers and freight safely, but to make money; money is the object, the service is only the

## THE NEW ECONOMY

means. And so it is with all industrial pursuits; they are carried on not to satisfy social need, but to satisfy selfish greed. This is notorious. When satisfactory profits are not made, factories are shut down and the whole machinery of industrial activity of the whole country blocked. So it has been only in this capitalistic age. This anarchy must—if it goes on unchecked—end in perdition; there is no help for it.

It is just the object of this book to help to wean Americans away from this individualism. There is the real battle-ground. This satanic spirit will oppose every one of the measures hereafter to be proposed; and every one of these measures carried will be a defeat for it. But when finally overthrown, the way to the peace and happiness for our people is cleared.

We again assert that not alone is the fear that Collectivism will crush out individuality entirely groundless, but we maintain that but few can have an idea of the extent to which it precisely will develop individuality. Let us once more repeat the definition. Individuality is, we say, the character formed by moralized egoism—that is, by the “selfness,” discussed in a previous chapter, by the inclination to seek our own welfare through and in the collective well-being. And this character will, of course, apply to all, both to superiors and subordinates; for from the foregoing it should be clear that the Coöperative Commonwealth will be the very reverse of “a dead level of uniformity.”

## INDIVIDUALITY

This alone, that all will be public functionaries, will make it a necessity, that superiority on the one hand and subordination on the other shall be very much in evidence; the clear-headed collectivist altogether endorses the declaration of Carlyle: "It is the sign of a weak mind not to admit that every one of us has his superior somewhere."

It has already been insisted that equality in control and equality in remuneration are not at all parts of either a democratic or a collectivist system, and that they would make the latter, if on a large scale, perfectly unworkable, though Bellamy unfortunately builds his scheme wholly on them in his *Equality*. We, on the contrary, quote with pleasure these words of Professor Graham: "I doubt if the Democracy would be opposed to inequality of remuneration, or to authoritative control, provided there was equality of opportunities from the beginning of each one's career; for the father who had failed to reach the higher position would feel a sort of compensation in the better chances for his children. He would feel as if through them he had a second chance."

Thomas Jefferson, in his day considered a pretty good Democrat, wrote: "May we not even say that that government is the best which provides the most effectually for a pure selection of these natural *aristoi* into the affairs of the government?" We have seen that one of the three demands of Democracy is, that the

## THE NEW ECONOMY

business of the country be carried on for the benefit of the whole people; and this again we have found is best secured by exacting definite accountability to the will of the people. The "best," responsible, strictly responsible, to the people, would thus constitute a perfect Democracy. Authoritative control there must be; it is a necessity for success, but this authority must be finally lodged in the impersonal sovereign. The dictatorship of the Romans was really a thoroughly democratic institution, because the dictator, on the lapse of his term of office, was substantially answerable to the people of Rome for everything he had done and for anything he had left undone. We hold that authoritative control is not alone not obnoxious to a pure Democracy, but is really its very backbone.

And so the Coöperative Commonwealth is sure to give to its "best" men—*i.e.*, its most capable men—ample authority, while holding them responsible for results. It is particularly requisite to emphasize the need of the able man at the head of all the various undertakings in the state, of all kinds, and also of their important subdivisions, and the need of retaining him there, for Socialists, unfortunately, have failed to recognize his importance now and his even greater importance under Collectivism. On the other hand, the well-known anti-socialist writer, William H. Mallock, has actually contributed to make Socialism rational by his criticism of these Socialists and by his claims

## INDIVIDUALITY

in favor of ability—extravagant though they sometimes undoubtedly are, ridiculously extravagant even.

Bellamy has committed a grievous error in his book, *Equality*, in assuming that “increased production is sure to go on in the future spontaneously and gratuitously” by virtue of the social machinery, the accumulated “social fund,” “which, rather than specific exertions, is to-day the main source of wealth.” He uses this illustration: “Before gunpowder one man was worth two others as warriors, but it practically equalized them as fighters”—here we might ask him: “Did then also one general become as good as another?” for if not, his illustration loses its point. Bellamy evidently has no particular use for ability.

And it cannot be disputed that Socialists who accept Marx’s doctrine of surplus value unquestioningly thereby are made to ignore the supreme value of mental labor. It is for that reason worth our while to examine that doctrine more closely, and also because in Professor Graham’s opinion “all modern Socialism rests on it,” though we dispute this.

Marx started out with what this writer believes is the true doctrine of value—to-wit, that it is measured by the sum of socially necessary labor, embodied in a given product. Now, men were all the time aware that employers conduct their business, not for love or pleasure, but for profits; they, however, supposed that

## THE NEW ECONOMY

these profits are paid by the buyers, by the consumers. But Marx contended that this view is a complete mistake; he insisted—and this we believe also to be correct—that the price which consumers as a rule pay—that is, unless they are swindled—is what the different forms of labor, embodied in their purchases, actually are worth. But then he added that the profits come out of the producers, the workers, and the amount thus taken from the latter is what he calls “surplus value.”

With this wording his doctrine roused the working-classes of the whole continental Europe from their apathy as perhaps nothing else could have done, and attracted, moreover, considerable attention from other classes; but Marx expected much more from it: nothing less than that it in the end would consolidate all manual workers of all nations into a compact, resolute party, which in an outburst of enthusiasm would seize the government of some great country and henceforth control it; hence the celebrated phrase which he launched forth: “The emancipation of the working-classes must be accomplished by the working-classes themselves,” and this injunction is still law to his disciples.

It is precisely this phrase that is unsound, and it is so, because the wording of his doctrine unfortunately is not fair and candid. Marx’s followers will tell you that the term “working-classes” used in it includes mental workers, but

## INDIVIDUALITY

this surely is not its common acceptation, and they know that it is not. Hence they have allowed both workingmen and the general public to understand that when Marx declared that "all profits come out of the workers" he meant exclusively manual workers, in which case the doctrine of course would make all profits pure robbery. Such an assertion surely is not tenable, and in consequence the doctrine has had highly mischievous results. Manual labor, to be sure, is an integral element of value, but we all know that digging holes in the ground one day and filling them up again the next day creates no value whatever; the labor, to be valuable, must be directed to some advantageous, suitable end.

Let us further assume that some enterprise or other becomes one year bankrupt, when a new manager is engaged, who, by changing the product just a little bit, say, to suit the taste of some African savages, thoroughly rehabilitates the business, so that already the following year it gives continuous employment and good wages to the workmen, and besides leaves, say, a profit of \$10,000. To whom do these profits belong in all fairness—under our present system, of course? Socialists in general, misled by the wording of Marx's doctrine, contend that they belong to the workingmen, and that the managers should not have any greater remuneration than the ordinary workers receive. This is unquestionably a highly

## THE NEW ECONOMY

mischievous, practical blunder. Mallock, in criticising this doctrine, says very truly and almost poetically: "Manual labor does not create values at all until suitably directed; it is the destination that breathes into dead labor the soul of value." But like Professor Graham he was greatly mistaken, when he supposed that in disproving Marx's doctrine he had even as much as scotched Collectivism.

Laboring men in general have also much to learn in this respect. Organized in trades-unions, they certainly have shown how to restrain themselves and trust qualified leaders, and by this policy they have acquired great power; but whenever they, either in America or Great Britain, have started coöperative productive associations, they generally have failed, just because they did not sufficiently appreciate intellectual superiority. Such enterprises require skill of the highest grade in the manager, and the men were unwilling to look for him outside their own ranks, where he was not likely to be found, and if found refused to grant him large powers and a generous share of the earnings.

But Count Leo Tolstoy is surely the one who has gone farthest astray in this matter, so much so that several pages of his *What to do?* are positively mischievous. He teaches the uselessness, aye! the perniciousness of men of ability, whom he represents as "men of idleness who have freed themselves from personal

## INDIVIDUALITY

labor," by which he means manual labor. Next, in order to determine the real utility of statesmen, merchants, manufacturers, railway-managers, bankers, artists and scientists, he inquires what workingmen, the most ignorant workingmen of Russia, think of them; he finds that "the working people do not consider the activity of business men of any help to them;" that "the majority of workingmen do not recognize the utility of the arts and sciences," and that settles the question for him. Teachers are a useless class, because "a workingman does not send his children to be taught," and because everywhere "laws compelling parents to send their children to school have to be enacted;" aye! it is a matter "of effrontery" in men of art and science to deem themselves useful, since they actually claim that "true science and true art should not have a utilitarian aim." Tolstoy, in other words, does not recognize that humanity's highest and true aim is that of civilization, and of making all men partakers of its blessings.

Mallock, on the other hand, maintains that all progress is due to ability, and that it tends to play a larger and larger rôle. Ability, indeed, is the true labor-leader—*i.e.*, the leader of men at work, whose functions are very different from those of the leader of men out of work. And this ability he defines as "individual exertion, applied to an indefinite number of tasks and which affects simultaneously the

## THE NEW ECONOMY

work of an indefinite number of men," while labor is "individual exertion, applied to a single task, and which begins and ends with each separate task." "The ability of one man," he declaims, "descends at once on each of thousands of workmen like the fire of an industrial Pentecost." We believe that the view of Mallock is substantially correct; and that our task should be to make the able man find his interest in the Collectivist Republic rather than in the capitalist state.

However, do not make the mistake of supposing that by the able man we refer to Mr. Gilman's "natural aristocracy," for whose sinister interests his *Socialism and the American Spirit* is simply an advocate's plea. He, however, is sharp-sighted enough to see that "the majority are in revolt against the aristocratic régime, formerly unquestioned;" this is correct, for our well-fed capitalists constitute but a *pseudo* aristocracy, who will be made to step to the rear and loosen their clutch on their present monopolies. But the able man is here among us; he must be found and then be incorporated into the Democracy. We hold that the Coöperative Commonwealth should give these capable men large powers, a real mastership, but that it also should establish a real accountability to the people. Let them have all the authority they may demand for directing labor and conducting affairs; suffer no interference with them what-

## INDIVIDUALITY

ever, but let them be held strictly responsible for results.

The change from profit-mongering to exclusive concern for the social welfare will work a revolution in the minds of the masses toward their true superiors. The people will come to acknowledge, that real ability is needed to direct them; that their own success depends on the success of these directors. They will come to find it simply rational to reverence men of real superiority wherever found; when found, they will elevate them to positions of authority, and afterward deem it a sweet privilege to follow their directions and second their efforts. If it be asked where the people are to find these capable and gifted men the complete answer will be: in the Collectivist schools; but for the moment we need only point to those societies, scientific and philosophical, where instead of profits they pursue truth, and where for that very reason they never have any difficulty in finding and recognizing the able man.

In the Collectivist Republic we are certain that the competent—the “aristoi”—in every department will as a matter of course rule for the good of all, and have corresponding authority and honor. Its motto will be: All for the people by those who know—by the competent. The more so as we are aware, that in a democratically organized state there will always be the danger, which must be constantly guarded

## THE NEW ECONOMY

against, of our ordinary servants becoming officious and insolent.

Now we can see how mistaken a notion it is that the Coöperative Commonwealth will imperil individuality. It is based on the misconception, that all motives for exertion, and especially for distinguishing oneself, will disappear under the Collectivist *régime*. We, on the other hand, contend, that the principal motives of to-day will not alone remain in the Coöperative Commonwealth, but will there be very much strengthened. To be sure the desire for becoming rich, which is now a motive of such dominant strength, will have passed away, but there are still two other motives that even in this materialistic age rival it in power, and show, that God has not entirely forsaken society.

One of these is the thirst for honor, which fortunately yet is very potent among all classes. This will surely be fostered and the opportunities for satisfying it vastly increased in a society where merit is the sole passport to promotion and careers open to all talents. The other motive is that inextinguishable element of human nature, mentioned in the preceding chapter: the craving after power over fellow-men. This perhaps is the strongest of all springs of action to move men, and, as already observed, is surely the motive behind the desire to acquire fortunes. But the power which money secures is, as said, by that very

## INDIVIDUALITY

fact a highly illegitimate power. There is, however, a power over men that is perfectly legitimate and highly useful; and that is the power, or if it be preferred, the influence over fellowmen that flows from ability and character. The desire for such influence is therefore equally legitimate; it most likely will be intensified in the Collectivist Republic, since it not only will occupy the field from which the money-power will have been dislodged, but will have a far greater moral value attached to it, as being in the eyes of the public primarily exercised for the social benefit.

If only the present able managers of the Trusts and other large enterprises would study Collectivism to the bottom they would find that under such a *régime* their chances for consideration, for distinction, for usefulness—aye, for enterprise would be very considerably enlarged, and for that reason alone would be ready to welcome its advent—not private enterprise, of course, but enterprise in the service of society. There would be no interference with them from the whims of private masters; instead of as now having to be ready for an uncertain demand in competition with secret rivals, the Collectivist manager's congenial task will then be to improve the system, to beautify products and to promote the welfare of subordinates. And then let us add, that there is no reason to suppose that the money-motive—or the desire for that which will correspond to money—

## THE NEW ECONOMY

will entirely pass away, even in the full-blown Collectivist Republic; though, as already said, it is bound to be exceedingly weakened, compared to its present strength. We are inclined to believe that there will be quite a number of \$7,000 salaries paid, a majority of them probably falling to successful directors and managers of industries.

All this means that ambition under Collectivism will be looked on as a most essential civic virtue—not, however, the contemptible craving, now meant, when we say: "He is an ambitious young man," where the sense is that he is anxious to become rich or to shine in society. Laveleye, unfortunately, is right in warning us, that the sudden wealth of our *parvenus* is bringing moral ruin upon us. We have come to look on wealth as our highest interest, and, because as a consequence there has been no moral check in the national conscience, all our talents and genius have been placed at the service of wealth. But ambition in the service of society is the very noblest of human passions. We found moralized egoism a constituent part of morality, and we shall find, that a robust egoism of that kind is a most precious element to supply us with the requisite efficiency and enthusiasm. Ambition is the touchstone of power.

Again, it is desirable that such ambition shall penetrate all the social strata. Professor Gilman writes this abominable sentence: "We demur

## INDIVIDUALITY

to the assurance that improvement in the lot of the destitute classes is the one thing needful for the salvation of civilized men. If society should lose its sense of proportion and alleviate the poor, instead of increasing the wealth of the whole community, a pit would be dug in which poor and rich would speedily tumble;" here the cloven hoof distinctly shows itself and proves that Mr. Gilman, with all his appearance of impartiality, is really—even if unconsciously to himself—the special attorney for the comfortable classes. He and we agree that the cultivation of ability and talents is of vital importance to society as a whole; now he must be aware that nearly all our geniuses and talented benefactors for the last five hundred years have arisen out of the poor and "destitute" classes; and that every year society suffers immense losses from the mass of ability and potential energy that is being crushed to death and trampled upon.

Why! the most splendid benefit that Collectivism will confer on humanity is precisely this, that in the all-embracing kindergartens and schools of the Commonwealth it will pick out every promising child without missing a single one, lovingly guard it and train it until it has grown up to bless society with the blossoms and fruit of its God-given endowments. It is Mr. Gilman that has lost all "sense of proportion," and has become blind to the fact that alleviating the poor and increasing the

## THE NEW ECONOMY

wealth of society is both economically and morally one and the same thing.

But remember it was stated that this character of individuality will apply to all members of the Commonwealth, and not merely to the few very able men, who, however, naturally attract the attention as the prominent fruits of the character, and as leaders and directors. But now it will naturally be asked: Who will do the dirty, disagreeable work of society? Who will like to have, say, scavenging for his "function"? When every other objection is answered, this always is sure to be brought up in the end as a puzzle, sure to discomfort the "idealist."

Yet the truly sympathetic investigator will find little difficulty in disposing of it. One of the worst moral results of the materialistic views of life which we lately have imbibed is that we actually have come to despise manual labor; that is, we can and do intensely admire a rich man if we find him blacking his own boots, but we certainly despise it, if it be a man's sole means of livelihood. And so we turn away in disgust from the scavenger. Again, why? Not because the labor is filthy, for the physician in the usual course of his functions often does equally malodorous, offensive work, yet he is highly esteemed. No, we hold the scavenger in contempt for the very same reason that the ancients despised all labor, because his work is virtually performed under

## INDIVIDUALITY

compulsion; because the very poorest among us must do it for the coarsest of livings or starve.

Now to be sure, until Goethe's ideal becomes a reality—that is, until every human being excels in something useful, common folks will have to do the common things in life; but there is nothing in their intrinsic nature why folks should not do these common things of their own free will, willingly and even gladly. This, we contend, they will do in the Coöperative Commonwealth, for there all these things, even scavenging, will have become respectable—this is the key to the solution of the social problem, that labors and services will be "functions," proclaimed to be of the highest social value, to be performed for the public benefit and decently remunerated. This alone may realize Goethe's picture of the future; it may induce common men to learn to do even the most humble tasks supremely well, so that everybody can do something better than anybody else in his immediate neighborhood. Then for the first time the foundation will have been laid for a real equality.

Moreover there is really nothing extravagant in the idea, that even gifted minds may occasionally prefer to perform these common occupations. This story was told by a former member of the celebrated Brook Farm near Boston: one of the ablest students of Harvard University used to come out to the institution every Saturday and the first thing he habitually did was to

## THE NEW ECONOMY

don overalls and commence digging and carting manure—to him evidently a pure pleasure. Indeed, it is worth reflection, that the ancient Greeks—whose human nature was pretty much what our human nature is—raised Hercules among the gods, for the reason, among others, that he performed well a much-needed bit of scavenging in cleansing the Augean stables.

Finally, if then, after all, there should be a general dislike for such labors, there is one excellent remedy left. No rational Collectivist dreams of abolishing demand and supply as a natural law; that will act as soon as conditions give it free play; hence decrease the hours of labor and increase the pay sufficiently in all such occupations, and supply will surely come up to the demand.

The character of individuality, in conclusion, will revolutionize domestic service; it will make us all averse to accepting menial, personal services from fellowmen for a money consideration, and it will make men and women refuse to perform such services as soon as they do not need to, as soon as they, on application to the public authorities, will be given suitable positions and be fairly recompensed. Our personal wants will be ministered to by fellow-functionaries, as we ourselves are in other capacities; our homes will still know domestic helpers, but they will serve for the love and regard they have of and for the mistress and head of the family, and, as a matter of

## INDIVIDUALITY

course, be incorporated as members of the family.

Such are the Collectivist ethical ideals: moral egoism, rational altruism, forceful freedom, and vigorous individuality. When now the enlightened, warm-hearted minority from all classes are asked to help along the twelve practical measures that follow, it is done, not for the sake simply of these measures themselves, but in the name of these ideals, and in order to give individualism its death-blow.

Here we close the theoretical preliminaries, which were requisite in order that we might know in what direction to aim our efforts.



### PART III

## Practical Statesmanship

*"The art of Government calls for prevision before all else."*

—SHELDON AMOS.



## CHAPTER VI

### A WISE PROGRAM

"The right course for reform efforts is not far to seek. It should work through the social machinery already organized."

*—Public Ownership Review.*

Our practical task now commences. The theoretical considerations and the inductive reasoning of the previous chapters have revealed to us the goal—that goal toward which Evolution, or the Power behind Evolution, is pushing us. When we shall reach that point no one can tell; but this we know for certain, that through its portals we and all other civilized nations shall sometime have to pass. Every real statesman therefore will steadily fix his gaze on that goal; every citizen, every time he deposits his ballot, ought carefully to consider in his own mind, whether his vote will help our people forward to it or side-track us.

But the road to the goal is un-tracked, save as the Trust may prepare it for a short distance for us. We may lose our bearings, or get into a quagmire, as did the French at the time of their great Revolution, out of which we afterward shall have somehow to emerge. Or we may actually for a time retrogress, as we should have done in case Free Silver had been vic-

## THE NEW ECONOMY

torious. Here comes in the need for the true statesman—for the man who knows the right road on which to lead the people onward, who can remove obstacles in the way, and who at times knows how to make a road.

The task therefore in which we must first engage is to help tracing out the right route, that is to say, we must first of all frame a wise program.

We start out by insisting that a wise program is one whose measures are right, adequate and practicable. To our mind it is of the first importance, that all of these three conditions should be fulfilled.

The measure must be *right*—that is, it must be in line with our evolutionary goal, must be a fit stepping stone to it, or the true statesman will have nothing to do with it. Here is just where he differs from the mere politician: the policy of the latter is to seek an immediate advantage with no regard for ulterior consequences—this is opportunism in its bad sense, against which this whole volume is an emphatic protest.

In the second place the measure must be *adequate*. That is to say, it is not sufficient that the measure tends in the right direction; it must go far enough. It must, in other words, not be a mere palliative—*i.e.*, afford temporary relief or be a temporary cure.

Lastly, it must be *practicable*. The means must be at hand to enable us to carry out our

## A WISE PROGRAM

measure to a successful issue, and we must be careful to choose such as will connect with reality. In this regard the statesman should be an opportunist, in the good sense of the word, as every evolutionary Collectivist is one—that is, he will take advantage of every fact that may enable him to succeed.

But observe that of these three requirements that of being right is by far the most important one; it is the imperative and indispensable condition. This is the very pith and marrow of this volume, and is nothing else than the proposition on which we already strongly insisted in the introductory pages. Both the Bryan men and the Populists will agree to the statement, that their aim is the abolition of the two extremes: the very rich and the very poor. This aim of theirs is commendable, but they are mistaken in the means they advocate for raising the poor and crippling the rich under the present competitive system; and this is the reason that their efforts for Free Silver, for Free Trade and for the abolition of Trusts are wrong. It proves ignorance of the way our competitive system works not to see, that wherever competition reigns we cannot benefit the poor without benefiting the rich, and that we cannot cripple the rich without injuring the poor. Our proper procedure clearly is to fight competition, to abolish the competitive *régime* as far as it is possible, and elsewhere to narrow and limit its field, since

## THE NEW ECONOMY

thereby we cut away the very foundation from under the feet of our plutocrats. This is simply the indirect way of stating the proposition that our measures must be "right." That directly means that every reform, to be practical, must aim at extending the functions of government, whether municipal, state or national.

Next to that we should bear in mind, that our measures must be practicable, that we must connect with reality, for in this respect reformers too frequently fail. To "connect with reality" means, first, to recognize important facts and then to use these facts and build on them. Such important facts now are: our protective tariff, the permanence of trusts, and the radical change that has come over the Democratic party. Again, that our measures should be practicable, means that they must not require any change whatever in our national constitution, since for such changes our people are as yet wholly unripe.

It is on first view strange, that we Americans, so progressive in other matters, are so conservative in regard to our political institutions, and seem to consider them immutable as the laws of the Medes and Persians. We might have inscribed in the harbor of New York: "Leave hope of political progress behind you, ye who enter here!" But this attitude probably has at bottom a close connection with our innate individualism; the Constitution is clearly an

## A WISE PROGRAM

individualistic instrument; it has allowed our profit-mongering citizens to go to any extreme, so that they fancy that if they can preserve it as it is, there will be no end to their "enterprise." But what is this Constitution really?

Some time ago, in connection with the so-called sympathetic strike, a Federal judge in Chicago made the remark: "You, labor organizations, must not endanger the constitution of our country!" Most Americans undoubtedly applauded this sentiment as highly patriotic. Well, let us suppose that this judge once heard a father solemnly admonish his son, saying: "My boy, you must not grow so tall, or so broad-shouldered, for, if you do, you surely will endanger your clothes," he, of course, would call that nonsensical talk, since the boy cannot help growing, no matter what happens to his garments; we all know that the clothes will have somehow to adjust themselves to his expansion. But here is the point: this father's admonition was in truth just as sensible as that of the judge.

The plain truth is, that our constitution is, strictly and soberly speaking, our political garment, and nothing else; but this view seems quite strange to us. The labor organizations, on the other hand, are, just like all other industrial institutions, the natural elements of our organic development—hence they have in this volume been treated as the fundamental facts in our life. And how have we not grown

## THE NEW ECONOMY

in our short national career! When the Constitution was framed and adopted, we were an infant in the cradle. Is it then, we ask, good sense to expect that a garment which fitted us as swaddling clothes will still serve us when we have grown to manhood? As a plain matter of fact, a considerable rent was made in that garment, the Constitution, a short time ago by our civil war; but that we ignore.

Reflect, however, just a little! The framers of that Constitution could not possibly have guessed what tremendous changes a century would bring about, socially and economically, and we know that they did not guess. No one of them imagined that fruit, grown in California, would be sent to New York to be eaten; that meat, raised in Texas, would be consumed in Maine, and the ablest mind then living could not possibly have conceived, that a citizen, sitting in his office in Boston, would be able to converse—aye, actually talk with his partner at that moment sitting in what is now Chicago. It is these social and economic changes that have made us what we now are; they are the impelling energies that compel us to grow, even if that growth should burst the Constitution to pieces.

But this should be altogether a matter for the future. For until our people get a good deal more tired of the havoc which individualism makes than they yet are, any radical change in the national Constitution and every measure

## A WISE PROGRAM

involving such change, will be impracticable. And as already said, one whole generation, at least, must first be trained up under the new education, before our people will be ripe for such change.

Now, in order to see more clearly what are and what are not "right" measures, let us examine three proposed reforms: Mr. Gilman's pet scheme of profit-sharing and two others, advocated by reformers with great warmth: woman suffrage and the initiative and referendum.

In order to understand the true inwardness of Mr. Gilman's plan let us assume a firm of manufacturers who call their workmen together and address them in this way: "Craftsmen! we have, during the year last past, made a profit of \$50,000. Now we have a proposition to make to you by which it will entirely depend upon yourselves, whether your wages shall in the future be somewhat increased. Listen: if during the ensuing year you will so increase the efficiency of your labor by being more industrious and careful than you have been in the past, by keeping stricter order among yourselves and practicing greater economy in the use of our raw material and in the handling of our machinery, that we in consequence should make, say, \$10,000 more profits than we did last year, we hereby promise you that we will make you a present of part of these additional profits, and the balance—that we put into our own pockets."

## THE NEW ECONOMY

This it is that Professor Gilman calls a "partnership between capital and labor." It is quite instructive to observe the manner in which he advocates this "partnership" to the employing class; he tells them, that "they will remain just as much autocrats as they were before; that they will keep their books strictly free from troublesome inspection; that they themselves will fix the percentage of the bonus on wages; that they will pay this bonus in prosperous years only, when it actually has been realized, and that they can continue or end it as they are satisfied or not with the results." Well, it seems that a long-headed employer might be well enough satisfied with this plan, but what about the workmen? Let us go on and assume that the business actually "makes" the next year \$10,000 additional profits in consequence, remember, of the greater zeal and industry of the workmen, and the employer then is so generous as to "give" them half of these profits to divide among themselves, while he keeps only the other \$5,000 for himself—this "present" to the workmen, Mr. Gilman *naïvely* thinks, "is not a sheer gift from the employer"!

Well, no; a well-balanced mind would rather think that the remaining \$5,000 were a "sheer" donation to the employer from the workmen. But if you should speak this out loudly you will have Mr. Gilman get into a passion and snapishly reply: "The workman who objects to a

## A WISE PROGRAM

ten per cent bonus on his wages, because his employer's gain has also increased from the improvement in the quality of labor, is fit for a lunatic asylum; it would be a curious procedure in a world where enlightened self-interest (*sic!*) must play an important rôle in human affairs, did we ask the employing class to adopt a new system which will inure to the benefit of the workmen only."

Well, let us inquire what "enlightened self-interest" really would teach in the matter on Mr. Gilman's own premises. Let us for argument's sake assume the case of an employer who actually should turn the whole amount of supplementary profits as a bonus over to those employés who clearly had brought them into being,—would such conduct really bring no corresponding benefit to the employer? Listen! Here are Professor Gilman's own words from the same book: "It is the profound alienation between those who hire labor on a large scale and their employés that strikes the rest of the world as the most lamentable feature in the modern industrial system; this has brought us to the days of lock-outs, black-lists, strikes and boycotts—in one word: to industrial war;" well then, would not industrial peace, would not the prospect of the employer carrying on his business and "making" his profits in the future in perfect security, with his workmen taking a friendly interest hereafter in his welfare, be something of a compensation to him for

## THE NEW ECONOMY

such generous conduct as here supposed? Should a truly "enlightened self-interest" not precisely counsel this very conduct? And are then these fault-finding work-people really so very unreasonable, "fit for a lunatic asylum"?

Lastly, what success has Mr. Gilman had in having this scheme of his adopted? He has for years, by printed volumes and words of mouth, been persuading his "natural aristocracy"—to-wit, our employers and manufacturing bosses—to adopt it, that is to say, to "give" their work-people a portion of additional profits, ranging from five to ten to twenty to twenty-five per cent thereof, and has succeeded with but a very small proportion of their number. Indeed, his time seems mostly employed in mollifying objectors among them, who want the workmen also to share losses, after his scheme has provided for a reserve fund, set aside first of all from such profits to make up for these very losses. Thus, this preposterous "partnership between capital and labor" clearly enough does not suit capitalists.

But please take note, that it is Mr. Gilman's particular scheme we oppose. Washington Gladden in his book, *Tools and the Man*, which contains many progressive and broad-minded ideas, warmly commends "industrial partnerships," which he assumes identical with that which Mr. Gilman has in mind; yet nothing could be a greater mistake. Gladden assumes an employer to make this proposal to his work-

## A WISE PROGRAM

men: "I will set aside ten per cent of our profits for a reserve fund; of all that is left I will give you one-third. Thus, if our business clears \$30,000 there will be left \$27,000 after deducting the reserve fund; of this your share will be \$9,000." Why! such an idea as this Gilman would not dare to breathe to his "natural aristocracy." No, Gilman's scheme is, as explained, entirely different; it is, in his own words, "a modest scheme of participation in additional profits." This scheme we oppose because it is not aiming in the right direction, and further it is literally a fraud—a fraudulent device.

To be sure, Mr. Gilman, we do not charge you with purposely meaning to deceive anybody, but, like every other advocate of his clients' sinister interests, you naturally have become engrossed with your clients' concerns. You wish, indeed, to reform the industrial world, but you do not want your clients to suffer financially; hence you do not see, that yours is really a new scheme for fleecing the wage-worker by inducing him to work more intensely than before. This is clearly opposing the drift of Evolution, and hence not "right." And you, our "natural aristocrats"! don't let you be persuaded into believing that you can maintain your present leading position, if you all the time are thinking of your pecuniary advantages; no, you must be ready to make sacrifices. This, also, is the spirit of Wash-

## THE NEW ECONOMY

ton Gladden; he trusts that you, "the present leaders of business," "are not devoid of chivalry," but that "the promise of industrial peace is a welcome word" to you. It would be well if it were!

Let us now for the same purpose consider a demand that is very prominent in the platforms of the People's Party everywhere—to-wit, that for the initiative and referendum. It is a very important subject.

But it would really be desirable, that the People's Party and all reformers should make a distinction between the initiative and the referendum; it would be still better if they would be satisfied with demanding the latter and entirely give up the former. The initiative means that a certain number of voters have the right to suggest and frame such laws as they favor and submit them to their fellow-citizens for adoption or rejection. The referendum means that all laws passed by the legislature be submitted to all qualified voters for their sanction, and that such acts shall not have the force of law until they receive such sanction of a majority of the voters.

The referendum, we say, is right; the initiative is wrong. The initiative presupposes that no particular wisdom and training in the citizen is necessary for the important function of suggesting and framing new laws; this unquestionably is a huge mistake. Suppose that our citizens during the last few years had possessed

## A WISE PROGRAM

such a power throughout the Union, is it not certain, that at every election, as a matter of course, laws for free silver as a national currency and other vagaries would have been proposed? We may well shudder at the thought of what the consequence of that might have been to this nation! It is very different when the question is about the referendum alone. The referendum undoubtedly is right, simply because an act that does not suit the people, that would not receive the approbation of a majority of the people, would *eo ipso* be an improper law, a bad law. But we are not so sure, that the referendum would accomplish any real good. They have had it in Switzerland for several years, and the experience there has been, that the people have at one election after another rejected acts that would have been of the greatest benefit to them. The *plebiscites* of the two Napoleons were a referendum. Our reformers should reflect that when they have secured the referendum, they are not a single step nearer the realization of their desires, for they still have to convince the people of the desirability of the reforms they advocate. Professor Platter of Zurich, Switzerland, before mentioned, thinks the referendum desirable, because it will destroy cliques and parties. Well, granted that it will destroy cliques. But the people must have leaders—leaders whom they can trust; or if the parties have not such leaders, it is because they do not

## THE NEW ECONOMY

deserve them. Now we say that the parties can just as well elect these leaders as they can confirm proposed laws.

Still, if our reformers will confine themselves to the referendum, and leave out the initiative, they will have a measure that is right, and therefore fit to be added to other measures. But standing alone, the referendum certainly would be inadequate; a campaign can hardly be conducted on that alone as a platform. And when reformers fancy, as they do in certain localities, that the referendum will withdraw their laws from the control and guardianship of the courts, there is no doubt that they are doomed to bitter disappointments. No, by the referendum they will achieve nothing substantial. It is the seat of power that must be changed, and that can be done only by extending the function of government.

Now we come to a reform, persistently demanded by a small party of zealous persons, whom it would be desirable to enlist in the service of our cause—to-wit, that of woman-suffrage. Of course, with us this will necessarily mean that all adult women be empowered to vote whenever men do and to be elected to fill any office whatsoever. We contend that such a measure would not be a right one; it would at this time be flagrantly wrong.

First, some preliminary points must be disposed of. The suffrage is not a “right”; it is a trust, granted by the state for its own benefit

## A WISE PROGRAM

to such of its citizens as have the capacity to contribute to good government. Again, when they claim the suffrage for women as a "class," they evidently are mistaken at the start. Women do not form a class at all in society; and when the suffrage is withheld from them it is not as a class but as a sex. This is an important distinction. For when a man nowadays is refused the franchise, he feels himself spurned as a member of a certain class, and as a natural consequence experiences heart-burnings and mortification. Women cannot possibly have these feelings—however much some pretend to—since they belong to all classes. And then to withhold suffrage from women at this time does not imply, that they are not to take interest in politics or be of no influence on the course of affairs. Women have always exercised great political power, and, as will be seen in the sequel, it is hoped they in the coming critical times will devote themselves still more to private political activities, especially in the way of teaching and persuading the less progressive male voters.

For these surely are critical, serious times—and this is an element of great importance in determining the wisdom or unwisdom of woman-suffrage at this time. Have the majority of the proposed female voters, and have women in general, the qualities that would contribute to good government in such times; especially are they likely to help society to

## THE NEW ECONOMY

advance in this transition-crisis, or is it, on the contrary, to be feared that they may tend to retard progress? This is a question of fact, as to which people may well differ. But we should bear in mind that the question is not, whether some women are or are not superior to some men; neither have we here to inquire what it is that has made women what they are, nor whether under different conditions they may not become something else than what they are. The question just now is: what are the women at the present time and, note further, what not merely are the women suffragists themselves, but particularly what are their humbler sisters who after all make up the great majority of the sex? Now it is submitted that the majority are illiberal, unprogressive, reactionary to a greater extent than the men; that they are a good deal more ignorant about and more indifferent to public affairs than the corresponding men; it is agreed, we believe, that they are much more under ecclesiastical influence than men.

If these allegations be the truth—no matter about the cause—then it seems they furnish an emphatic argument against female suffrage at this time, for two reasons. First, we know that the present male electorate contains altogether too many unfit elements, both ignorant and venal voters; we are aware that no human force can recall the grant of the franchise to those to whom it once has been given, but—

## A WISE PROGRAM

this is the pith of the reasoning—is this a reason why we should thoughtlessly and gratuitously extend this dangerous area of unfitness? But female suffrage will, if the above is correct, mean the deliberate doubling of ignorance and incapacity.

And this leads up to the principal, and it seems to us conclusive, argument against woman-suffrage at this time. It is admitted that the political boss is the greatest curse of our American political life; he is perhaps the greatest obstacle to progress. That which has called him into being is the present division of political power into little bits, since, as has been said, "he gets the upper hand by sweeping into one heap the greatest number of votes," that is, of these bits of power. Well, is it not then clear, that the grasp of this boss will become absolutely unbreakable, when woman-suffrage will effect the superlative subdivision of power by actually doubling it?

And now as to the female character in general, as far as present problems are concerned: are women not by common consent more emotional than men? do they not lack due sense of the proportion of things? The more womanly they are, are they not more subject to fanaticism and liable to take up causes with a passion that subordinates even the national welfare to them? We know that Madame de Maintenon and the Empress Eugenie, both well-meaning, religious women,

## THE NEW ECONOMY

through these very qualities ruined their husbands and with them wrecked the fortunes of France. We may be very sure that with woman-suffrage our coming political struggles will become much more passionate, and much less amenable to reason, and this will be very unfortunate, indeed.

And, lastly, there is still another consideration against it left. The state so far undoubtedly is masculine. Force is and will for a good long while remain the foundation of government. Now suppose, that our good women should try—as many we know are disposed to try—to mould the lives of men by restraining laws, say, by enacting a strictly prohibitory law in opposition to the votes of men, what would be the unfortunate outcome? How could such a law be enforced? Apparently the upshot of such female suffrage would be either rebellion on the part of the men, and consequently revolution, or our descent into becoming a nation of imbeciles—and yet now virility in men is more needed than ever! At present women can do just as much good by their private activity as they possibly could do with the suffrage; the “primrose dames” of England have probably as much to say in the conduct of the British Government as any association of male voters.

Hence we come to the conclusion that profit-sharing, woman-suffrage and the initiative are not parts of a wise program, because they are

## A WISE PROGRAM

not "right" measures; and the referendum, standing alone, is not adequate.

Well, then, what measures can be recommended as really practical reforms, as parts of a wise program?

We have seen that they must be such as will limit, circumscribe competition, and throttle the spirit of individualism.

Further, we have already emphasized that what we should be concerned about is not whether Collectivism will be realized in ten years or a hundred years from now, but it is the threatening, so-called social problem. Now, of that social problem the labor question is the most serious part; with the other part we shall later on deal. The social question and the labor question are not identical, as some Socialists will have it. The latter, we insist, is but a component part of the former, but it is a fundamental part, the part that lies nearest to us, and hence we must first of all offer an adequate solution of it.

William M. Mallock, the critic of Socialism, seems to us to grasp that problem at the right end. "The ultimate duty of government," he says, "is toward the incomes of the governed; the chief test whether a government is good or bad is, first, the number of families in receipt of sufficient incomes; secondly, the security with which the receipt of such incomes can be depended upon." He adds that moral and mental culture and love

## THE NEW ECONOMY

of country depend on citizens having tolerable incomes.

That is to say, that an adequate solution of the labor question is one that gives our workingmen independence and security, at least, in a tolerable degree.

Lastly, there is one feature in our form of government that distinctly points out to us the practical course we ought to take: that is our federated system of autonomous states—the principal contribution, perhaps, that we have made to the science of government. This it is that will enable us to proceed pretty far and pretty fast, before we are compelled to amend our national Constitution. Evidently we ought to utilize the state jurisdictions all we possibly can.

Americans unquestionably are by nature empiricists; they like nothing better than to make experiments, also in politics. We have seen, that experimenting in social affairs is an absolutely impracticable policy, for the simple reason that society is not at all a building, but an organism. But when, as here, we have found out the true steps to take by inductive reasoning, it is a happy circumstance to be able to try the efficacy of such steps without much risk on a smaller theatre of action. Innumerable such experiments have been made by this or that state, and the results awaited by the others—the “Dispensary” law of South Carolina is an instance. Albert Shaw is essen-

## A WISE PROGRAM

tially correct in saying: "In the Western States there is a readiness which is even amusing to try experiments which would vastly extend the sphere of the state and limit private enterprise."

Amendments to State Constitutions, unlike those to the National Constitution, are accomplished without great difficulty.

By the way, what is the reason for this curious readiness of the Western States to move in a socialistic direction? It is curious, for it indicates a radical change in the American character from what it was even but a generation ago. Here an observation by the Englishman Bagehot is pertinent: "A change," he says, "which above all generates other changes is the change of generation. One generation succeeds another almost silently, each year removes many old men and brings in many new ones."

This of course applies here, and is much strengthened by the large immigration into our country. At the beginning of the century the American spirit was conservative and strongly individualistic. For three quarters of a century it was able in a remarkable degree to assimilate the foreign elements that poured in. But it was to be expected, that at some period this spirit would exhibit marks of the influence of these foreign elements. Well, a new generation has come upon the stage with different characteristics from the preceding ones—hence the change.



## CHAPTER VII

### THE RIGHT START

"In reality, the right to labor recognized would be a very great thing, involving wide-reaching and momentous consequences."

—*Prof. Wm. Graham.*

"The talented, when disappointed, constitute the most dangerous of all classes."

—*Prof. John W. Draper.*

In the preceding chapter we have ascertained, first, the criteria of a wise program, and, next, what our immediate aim should be, to-wit: to give to our workingmen as much security and independence as possible short of the Coöperative Commonwealth, so that we may soften, though not solve, the labor problem. Our task in this chapter is to connect such a program with reality: to find out unto what among that which is we can hitch our reform measures, and this again will determine what these reform measures themselves ought to be in detail.

Our statesmen must be prepared soon to respond to a demand from the working-classes to have their right to labor recognized. This phrase, a "right to labor," is, to be sure, a very inapt one, but we know that our work-people thereby mean a right to a living by labor. Between this claim and that other one for a

## THE NEW ECONOMY

“right to a living” simply there is the greatest possible difference. When society sometime in the future will have become a perfectly developed organism, then a right to a living may be in order and proper, just as in an animal body each cell receives its portion of blood, and each member of a family receives nourishment, before any work is required. But in our present half-developed society the claim to a living is a highly dangerous exaction, because present society cannot with its best will satisfy it. We are inclined to believe, that Mallock to a great extent is right, when he says that, “if for so short a time as a single six months free meals were provided for families, half the labor of the country would for the time be annihilated.”

But a living by labor is a very different thing; that is something that organized society now is able to furnish and guarantee to its constituent members; and therefore we undoubtedly have here found the right start. Society is very much concerned about having all her members self-supporting. We have seen that consumption is the “dynamics of wealth;” and hence society is fundamentally interested in her citizens possessing the greatest possible capacity to consume, for it is upon that consumption that her productive power depends. Hence it is the duty of society to provide opportunities to work for her citizens whenever she can; all rights are given individuals by society for the sake of its own welfare, and the right

## THE RIGHT START

to a living by labor can equally be justified as contributing to the social welfare.

Let us here incidentally observe that for the time being we are concerning ourselves only with the labor of city wage-earners; it is their demands that here will be listened to: a later chapter will be devoted to the cause of the farmers. There can be no doubt that the workmen in the cities at present are the leaders in the progressive movement in society, whether it be on account of their greater general intelligence or the greater ease with which they can organize and exert pressure on the governing authorities. There is, however, another reason which it is important not to overlook, to-wit: that a great change has taken place in the relation of the country to the cities, that agriculture has ceased to be our basic industry, and that manufactures now have assumed that position; it is in the interest of the farmers themselves that as soon as possible they come to recognize this change. The agitation to have the right to labor recognized will then in the nature of things proceed from the city wage-earners; and the recognition of that right will, as Professor Graham says, have "wide-reaching and momentous consequences;" it will to a great extent be the social problem solved.

And we must connect with reality—with that which is, and what we have. It has already been observed that this means that we must acknowledge facts, reckon with them, and, if

## THE NEW ECONOMY

possible, build upon them. Among such facts is our protective tariff—nobody can deny that, not even the most confirmed doctrinaire in the Democratic ranks. He further ought to be reminded, that Thomas Jefferson in a report as Secretary of State in the year 1793 recommended “the burdening with duties or excluding such foreign manufactures as we take in greatest quantity and which at the same time we can the soonest furnish to ourselves, imposing on them duties lighter at first but heavier and heavier afterwards as other channels of supply open. Such duties, having the effect of indirect encouragement to domestic manufactures of the same kind, may induce the (foreign) manufacturer to come himself into these states.”

Moreover, we assert that in passing the protective tariff the party in power has in an indirect way recognized the “right to a living by labor,” since it thereby has to some extent saved our workingmen from a competition from which they could not save themselves. A protective tariff is unquestionably in the interests of the wage-earners; is nothing less than a bridge on the road to Collectivism. This is seen clearly enough by Professor Gilman when he admits: “The centralizing tendencies of the party of protection are favorable to Socialism, while a party supporting free trade is likely to be hostile to it”—he himself, by the way, being a free-trader.

## THE RIGHT START

There are two commonplace arguments against a protective tariff. The first is that every tariff is a tax, and that it is a curious way of benefiting the masses to make them pay higher prices for what they must buy. But protectionists claim that a really protective tariff is not a tax at all; that it is a premium which the foreign manufacturer is compelled to pay, and sometimes willingly pays, to share our markets, and this undoubtedly is the truth. In order that a tariff may be really protective, our home manufacturers must be able themselves to supply our markets, and by their competition among themselves they necessarily bring down the prices of their products to reasonable figures; thus the tariff on sugar is at present not a protective tariff at all, but decidedly a tax, since we are far from being able to supply all of that commodity that is needed by our citizens.

The second contention is that the benefits of a protective tariff go mainly into the pockets of the employers and of the well-to-do classes instead of into those of the working-classes. We admit that such as a matter of fact is the effect; there can be no doubt about it; but we shall soon see what is the cause of that. We shall go further and for argument's sake concede that a protective tariff does not help much to raise the wages of the workingmen; that Trades-Unionism has been far more potent in that respect than protection. But there is

## THE NEW ECONOMY

one undeniable truth, to which it seems from the returns of the last election, that our workingmen have at last had their eyes fully opened, to-wit: that a protective tariff gives employment; that it is able to set to work the greater part of the army of unemployed, running into the millions, that we have had with us for the last few years, and to give them full and constant employment, at least till the next period of overproduction sets in.

Well, is this not to be looked upon as a great boon? This mere fact, that it gives employment, even granting that it does not raise wages materially, seems to us of such material importance that we do not wonder that our working-classes have become ardently and definitely enamored of and wedded to the policy of protection. This policy then proves that the party in power recognizes the right to a living by labor by the wage-earner and is anxious to this extent to give effect to it. This, to be sure, is class-legislation; but it may be contended that legislation in favor of classes, so numerous, so fundamentally necessary, and so much in need of a helping hand as our working-classes, is justifiable. Moreover, there is no doubt that our large farmer class is greatly benefited, directly and especially indirectly, by a proper protective tariff: if our town-populations are prosperous they in a truly remarkable way increase the markets for the agricultural staples.

## THE RIGHT START

We admitted the correctness of the objection to a protective tariff, that it actually benefits our comfortable classes a good deal more than our wage-earners; but why is this so? Nearly all those who make this objection seem to think that this is a fault of the protective policy, an ineradicable tendency in the nature of protection. This, however, is a huge, a most mischievous, mistake. That which causes the advantages which flow from protection to fill the pockets of the rich instead of the pockets of the poor is not the tariff at all, but it is the wage-system, and the wage-system exclusively. This is simply an exemplification of the momentous truth, that under the competitive system we cannot benefit the poor without benefiting the rich, as we cannot cripple the rich without injuring the poor. You might with equal truth and justice say that machinery and inventions are vicious and harmful, because the monopolistic possession and control of them by the wealthy classes, in other words, because the wage-system, positively makes them prejudicial to the interests of the working-classes. Abolish the wage-system, and protection just as machinery and inventions will become unmixed blessings to all.

Indeed, in the Collectivist Republic we necessarily shall have the protective policy carried out to its utmost extent. As to all necessaries, comforts and luxuries of life which we choose to produce for ourselves we shall in the

## THE NEW ECONOMY

Coöperative Commonwealth practice nothing less than a policy of prohibition; that is, we shall not buy any such products from foreign countries at all, and this will amount to forbidding them to enter our borders at all. On the other hand, those other products which we choose to import, rather than making them ourselves, will come into our country under a system of absolute free trade. Hence we say that a protective tariff is a bridge on the road to Collectivism; that Collectivism is protection.

And this brings us to another policy, just as important as that of the tariff, and which really is nothing but the reverse side of the policy of protection, and that is the limitation of immigration. It is a policy which the same party that enacted the tariff has already in a very feeble manner entered upon; but one that we sooner or later shall be compelled openly to acknowledge and carry out, and which it will be well for us to carry out rather sooner than later—both in our own interests and in the interests of universal humanity. What our protective tariff is intended to effect and does effect is the exclusion of the products of the so-called “pauper labor” of Europe and other countries; this, we contend, is right and expedient. But in all reason what is the use of such exclusion, assuming it be ever so well realized, if at the same time the “pauper laborers” themselves be allowed to pour into our cities and thus

## THE RIGHT START

directly and personally to lower the wages of our own people?

Is it not evident that soon we shall have to take the bull by the horns; that is, that we shall have to pass a really serious measure, a radical measure, which will definitely prevent the landing of such foreigners who immediately will compete with our own people, whose coming therefore is evidently prejudicial to our own welfare, and especially prejudicial to the welfare of our own unskilled labor? The only class among our people who are interested in such foreigners being allowed to land are the class of employers who want "the reserve army of labor" as large as possible. Of course, it will be understood that the case of skilled artisans and of all other persons whose talents and genius are needed by our country for its highest development stands on a very different footing.

But such a bill as that passed by a late congress, excluding "all who cannot read twenty-five lines of our constitution in English, or some other language," does not show statesmanship but incompetency and imbecility; it simply shows that our politicians have a mortal dread of those silly sentimentalists who fancy that our calling is to "furnish an asylum to all the oppressed of the earth," without reckoning with the fact, that if we continue in that policy we soon shall be unable to provide these oppressed either with a livelihood or with an asylum.

## THE NEW ECONOMY

No, we contend on the contrary that a policy that will really check immigration is now right, adequate and practicable in the noblest sense. Assume, for argument's sake, that to-morrow we should be able to inaugurate the Cöoperative Commonwealth. Is it not clear to every practical mind, that success would be out of the question, unless for a couple of years at least we practically excluded not alone the products of all foreigners, but the foreigners themselves as well? This would be a policy, imperatively required of us. And, from what has been said in Chapter II about the nation: that we "should perfect it so that it may be a model to other peoples and an effective organ of progress," for which purpose we may do anything that is necessary or merely expedient, we could not be charged with a policy of selfishness in doing so, for we should be engaged in creating a model polity for all other nations. The higher ethics, set forth in Chapter III, would justify us, for we would really be seeking our own national welfare by working out the collective well-being of all men.

This very same justification will apply to the steps we now may take to either check or stop immigration into our country. If we find such check or stoppage actually necessary in order to maintain the high degree of efficiency which we really have reached as a people—and this is a conclusion, we believe, to which all thoughtful people must come—it is not simply our right,

## THE RIGHT START

but it becomes our duty to apply it. Only let those who take the lead in this movement be themselves conscious, and impress it on all others, that the object of such limitation on the immigration of foreigners must not be a selfish one, but that it is for the ultimate benefit of all our fellowmen. There cannot be the remotest injustice or even unfairness in such a measure charged upon us in regard to individuals, if it were made to take effect only after the lapse of a sufficient specified period, which would leave no reasonable expectations of such individuals to be disappointed.

Our nation thus has already taken the first right steps.

We now have ascertained the goal and the starting point—the two points that will determine our line of progress. But we must go further in that direction, and find out what are the following positive measures we must take.

The labor-question, which we are trying to solve, practically means how to harmonize the incongruity between the workingman's political position as an independent voter and his economic standing as a wage-serf. We may remember that the evolution of capital has proceeded much beyond the evolution of labor, and that the political power of the working-classes is largely nullified by the dependence and insecurity of the wage-system. The insecurity! this is the terrible curse now resting on them.

## THE NEW ECONOMY

Our workingmen are dependent on their employers, because they are not sure of their job for one week, nay, not for one day. And the wage-system actually requires insecurity for its perfect working, since employers need to have at their command what has come to be called "the reserve army of labor;" that is, men out of employment, ready for any job on any terms.

This insecurity has possibly now reached its culmination with us, since our lack of employment has evidently become chronic, and America thus at length has fallen to the condition of Europe. This is necessarily an accumulating evil under the present system; for as long as the means of production remain private monopolies, all inventions and betterments in machinery will simply have for result, that the world's work will constantly be performed by a smaller and smaller number of workmen, so that the lack of employment will go on increasing. The trouble may even now be said to be this, that every employed workman is doing two men's work: one works too hard, and in consequence another man is idle. No wonder that there is unrest among our working-people, as among the masses of all civilized countries. They are told, that the rich are growing richer and the poor poorer; this, though it has the fascination of an epigram, is not exactly the truth, as to the latter half. Our system, however, evidently tends to make the poor

## THE RIGHT START

relatively poorer, comparatively less important economically—and “it is this fact that galls,” as has been well said.

And here another factor has entered into play in the last generation, especially among the Anglo-Saxon workmen, to-wit: the sentiment of respectability, which of course is another fruit of the spirit of Democracy. The workmen of America and Great Britain have evidently and fortunately got it into their heads that the good personal appearance of themselves and their families increases their importance in society, and in order to secure this they appear willing, if necessary, to stint themselves and them in food, and often “go ill-clad, that they may appear well-dressed”—half they wear is dress rather than clothing. Respectability, in other words, has become an important element in our workmen’s standard of living, and this straining after it the working of the present system makes more and more severe, so that the unrest is growing also among the men who have employment.

Prof. Francis A. Walker, in a late magazine article on “The Cause of Poverty,” gives this authoritative testimony, that insecurity is the chief cause and an inherent element of the wage-system: “Markets at times are glutted with products, and shops and factories have to be closed to allow the surplus stock to be cleared off. This is the real industrial problem of our time.”

## THE NEW ECONOMY

Hence the “right to a living by labor” will in the mouth of our wage-earners mean much more than a claim to be delivered by the government from a foreign competition from which they ought to be protected. They will demand direct relief, a helping hand, a “lift.” The right to a living by labor will signify that our workingmen shall be provided with work when they are out of employment; and not that alone but that they shall be furnished suitable work which will provide them a decent living. Aye, it will denote still more: it will mean that those who are regularly employed shall in return for their labor have a livelihood, worthy of a citizen of this republic; that is to say, a living in accord with the standard which our modern civilization has established—of which, as we just saw, respectability has become a most important component part; again, it will mean that they shall have as much security in their employment as possible; again, immunity from too long periods of labor, that is to say, the privilege of adequate leisure must be assured to them; again, it will mean decent, humane conditions under which to perform their labor, and, lastly, it will denote a demand for considerate treatment from their employers and for measures that will compel them, if needs be, to be considerate.

In other words, the “right to a living by labor” will mean the right to a decent support from moderate labor under humane conditions.

## THE RIGHT START

It will mean all the measures, in the first place by the "state," and then by the nation, which they respectively can take to make democratic citizenship a reality, short of abolition of the wage-system and the organization of the Collectivist Republic.

We know that politicians in the service of capital will be ready with this objection: "This government is not paternal and it is not one of its functions to find work for anybody; it can not be a crutch for you." It is fortunate that the working-classes are now in a position to answer them, and by their votes answer with authority: "We are going to teach you that you are mistaken. It is precisely the function of the state, that is, of the 'All-of-us,' to be a crutch to 'Some-of-us' who need a crutch badly; and, by the way, to be such a crutch is not at all a paternal but distinctly a fraternal function. A crutch, to be sure, is an impediment to a strong man, but on the other hand, it is an excellent adjunct to anyone injured, to enable him to get along and become strong. Many of us have become disabled in the economic battle, and we shall teach our government, the agent of 'All-of-us,' how to act as a crutch to us."

This remark by Huxley is true enough: "Where a number of persons live by their own labor, there others may not insist on being employed, if they are not wanted." But this state of things has long ago ceased with us. A

## THE NEW ECONOMY

comparatively small number live precisely not "by their own labor," monopolizing all inventions and benefits of the social machinery, under the protection of the state. Here the state surely has the right to impose restraints on these its beneficiaries in the common interest.

Of course, here we are exclusively referring to men, able and willing to work. We have not in mind either persons who are properly objects of charity or true tramps, loafers and criminals. The following chapters do not deal with them at all. The present individualist system will, of course, go on breeding them and tempting them onward in their evil careers. The Collectivist Republic alone will know how properly to deal with them, or will at all events have them on its hands for one generation only. But mark! these elements will never come to like a Collectivist *régime*; if it were candidly explained to them, they would instinctively feel that it would not at all suit them. The present system is far more palatable to them. They are not the stuff to make into socialists, but into—anarchists.

We therefore shall now proceed to discuss the following six measures: Obligatory Industrial Arbitration, Effective Labor Organizations, State Productive Work for Unemployed, Municipal Enterprises under State Control, State Management of the Liquor Traffic, and State Socialization of Mines.

## THE RIGHT START

So far we have dealt exclusively with the labor-question. But we noted that the labor-question is but a section of the threatening social problem, though the most important section, in the sense of being the most pressing. But there is another part of the social problem about which we do not seem to care at all, and which yet may bring the very gravest dangers on the state—we refer to the question: what to do with struggling, needy Ability?

The observation of Professor Draper is really worth attending to: "The talented"—he, of course, means men of real ability—"when disappointed, constitute the most dangerous of all classes."

And yet Americans have now, one generation after another, with unmixed approval read the lines of Lowell's in which the poet makes Hosea Bigelow with great satisfaction remark: "The state helps to make a man a man and then it lets him be." Well, that, to be sure, is the policy, hitherto pursued by the American state: it has helped to educate its gifted sons even from the poorest strata and then—it has let them shift for themselves. But this is a policy it now will have in sheer self-defense considerably to modify: it will have somehow to find opportunities for its struggling, really capable, citizens, especially young men. Just as in the case of the workingmen it is security and independence that are demanded of the

## THE NEW ECONOMY

state, so in the case of Ability it is equal opportunities. The measures that will hereafter be discussed will give the state plenty of occasions to furnish such opportunities, if only the public authorities will be sensible of the great social importance of this matter.

However, it is fortunate that even here the nation has its face turned in the right direction, though, it seems, unconsciously. What is civil-service reform, which for some years has occupied so much of the national attention, but a measure to sift out real ability from the mass? Yet we know that this reform measure has been everywhere agitated for and adopted for every other purpose but the true one, and this is the reason why it so far is a failure—a “humbug,” as it has been called.

The social problem thus arises from two sets of antagonism: that between the working-man's political and economic position, and that between the possession of ability and lack of opportunity for exercising it.

## CHAPTER VIII

### STATE AIDS TO THE EMPLOYED

"I would, even at the risk of being thought reactionary, limit the franchise, parliamentary and local, to those and those only who entered into the guild of labor."

*—Prof. Thorold Rogers.*

"The rule would seem to be, that, in proportion as the world's industries grow, must the State advance in its efforts to assist the industrious to advantageous relations with each other."

*—Prof. Woodrow Wilson.*

Now we are to discuss the direct, not at all paternal but thoroughly fraternal, measures which are to soften, though not solve, the labor-question. These measures, to a great degree, aim at restoring to our work-people the security which their predecessors as serfs possessed. The present chapter will deal with those of our wage-earners who have employment, and inquire what the state can do to help them to help themselves, so as to increase their self-respect and self-reliance.

Our comfortable classes will soon learn, if they do not yet know, that the competitive régime, our profit system, is doomed; that no president, no party, no policy, that nothing can save it. To run one's head against a stone wall is not deemed a very sensible policy. Hence from the point of view merely of enlight-

## THE NEW ECONOMY

ened self-interest it would seem the part of wisdom for our capitalists and private employers not only not to oppose these measures but effectively to assist in passing them. In that case—since thereafter there ought to be a large pause, a long breathing-spell—they may expect to retain their control during their lifetime and that the radical transformation will not take place until they have left the stage.

They will do well to reflect on these forecasts of Professor Graham—which, however, we do not think are quite correct: “We need not go to the end without a clear view of the advantages to be gained, nor need we be in a hurry; nothing compels us to go on if we don’t like the prospects, or if we see greater disadvantages; still more, if we are stopped by impracticabilities or impossibilities. We may go on, stop at any point, go quicker: all these courses are possible.”

The first of our series of proposed measures, which one should think so conservative that even the spirit of individualism could find no fault with it, is a form of arbitration that will quickly and equitably settle all industrial disputes. “Arbitration,” says Washington Gladden, “is the final term of the wage-system”—yes, as the Trust is the final stage of the capitalist system. Prof. Henry C. Adams, on the other hand, is very clear-sighted when he declares, that “the establishment of arbitration is the first step toward the overthrow of the

## STATE AIDS TO THE EMPLOYED

wages-system." Public opinion is evidently nearing the point, when it will rigorously demand that strikes and lock-outs shall cease. Labor-leaders now all admit that strikes are useless; and arbitration is by common consent the only remedy left.

But not the voluntary industrial arbitration we hitherto have known: that which is embodied in the laws of most of our states and also in the Federal statutes—that kind of arbitration actually seems to have been enacted in conscious mockery of labor. We know how it uniformly has worked. When some years ago the great strike occurred on the New York Central Railroad, and the state board of arbitration convened and offered to mediate between the company and its employés, the railroad officials haughtily dismissed these representatives of the great state of New York with the memorable words: "There is absolutely nothing here to arbitrate, gentlemen!" But a short time afterwards another great strike occurred at Homestead, Penn., and precisely the same answer was given by the officials of the Carnegie Company to the board of arbitration of that next greatest state in the union.

It is really amusing to recall that when the attention of ex-senator David B. Hill was called to this matter, he is reported to have shrugged his shoulders in the French fashion and replied: "This sort of arbitration, to be sure, does not seem to amount to much, but

## THE NEW ECONOMY

what can we do about it?" This undoubtedly was a perfectly correct answer from the stand-point of one who believes in the supremacy of the individual, but persons who are fully persuaded that the welfare of the whole people is the supreme law will find no difficulty in discovering an effective remedy. Manifestly there is such a remedy: pass laws that will make it the duty of the arbitration boards, and that will enable them—not to invite the two parties to submit their differences to them—but to summon both parties, even if the employer be the mightiest trust or railroad company, and after hearing the evidence they produce, to adjudge the equities between them, just as courts adjudicate contracts.

In other words, let them determine what the employer can afford to pay and to do on the one hand, and what the employé can afford to take and to suffer on the other; it might be advisable to add the admirable provision of the laws of Massachusetts: that the board be empowered to call in experts who will assist them with their counsel. That is to say, substitute for the present voluntary system obligatory industrial arbitration—no matter if the name be a contradiction of terms; it is the thing itself that signifies. This measure has all the credentials of a proper measure: it is right—*i.e.*, clearly a stepping stone to collective control; it is adequate—*i.e.*, it will bestow independence and security on the wage-earners,

## STATE AIDS TO THE EMPLOYED

for there will be an end to the stereotypic sneer: "There is nothing to arbitrate, gentlemen!" And it will be a great boon to the public: such an outrageous performance as the late strike by the stereotypers in Chicago will be rendered impossible. Lastly, we contend it is practicable, though undoubtedly opponents will immediately rise up and declare that it never will work as a constituent of the competitive system. They will argue: "Suppose the decision be against the employés, how in all reason can they be compelled to go on and work against their will? If, on the other hand, the board decides against the employer, how will they manage to make him continue his business, perhaps at a continuous loss? Is not this enough to show the scheme perfectly impracticable?"

Why, this objection presents no real difficulty whatever—especially to men who will have to admit that a radical remedy of some kind is inevitable. Let us examine it. Suppose, first, that the board decides that the employés are in the wrong in either demanding higher wages or resisting a reduction in wages: in that case let them have a few days to confer together and think the matter over; if finally they make up their minds that they will not continue work on the terms laid down, then let the employer be at liberty to employ new men who will accept the terms—but not till then. Suppose on the contrary that it be the employer who is adjudged to be in the wrong; suppose that the

## THE NEW ECONOMY

board decides that he must pay higher wages or abandon a harassing rule of which complaint has been made—well, in that case, there surely is no necessity for him to continue in business or to keep his factory running. But if he chooses to go on, he must conform to the decision. *Prima facie* it is equitable that he should do so. Where does the impracticability come in on either side?\*

But the obligatory industrial arbitration is in the closest possible way connected with our second demand—to-wit: for effective labor organizations; indeed, without the latter it cannot work to the best advantage at all.

It would be well if our work-people in general knew what they owe to the trades-unions; it would be well if they were aware of the debt they owe especially to the old English trades-unionists—it is a debt, indeed, which they can never pay. If British workmen to-day constitute a powerful political factor, if our American workmen, when they are fully employed, have better wages and fewer working hours than fifty years ago, this they owe in the first place to the despised but courageous English work-people, who in the first decades of this century started their unions and kept them up in spite of Parliament and all its terrors, and in the second place to the present American

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\*This is the very sensible argument of ex-governor Altgeld.

## STATE AIDS TO THE EMPLOYED

trades-unions. It was said that strikes are found to be useless—we mean to those who engage in them; but nevertheless it is a fact that there has never been one strike by the trades-unions, whether won or lost, that has not been beneficial to all the working-classes, whether they were inside the union or outside.

Trades-unions and labor-unions of all kinds were not formed from choice, but from necessity, imposed by the inexorable logic of events, just like the trusts. To combine was the only thing the wage-earners could do. A clergyman like Rev. Washington Gladden admits: "If they suffer without resistance the operation of the economic forces they will be degraded and destroyed; if they stand together for mutual protection they may be saved." The workingmen would have been compelled to organize, even if nine-tenths of all employers had been liberal-minded men: it is the tenth, the illiberal employer or manufacturer, who does the mischief. Just as it is the scoundrel who commences the adulteration of any article and compels the honest grocer to do likewise, so it is the ungenerous employer or manufacturer who begins cutting wages down and thus forces all others to follow suit.

But the fact is that nowhere are nine-tenths of the employers as fair-minded as they ought to be. It is very hard for the majority of them to recognize the right of their workmen to combine, or even recognize the fact that their men

## THE NEW ECONOMY

stand upon an equal footing with themselves. The master-class are generally inclined to say, "Our men shall not dictate to us what wages we shall pay." Joseph D. Weeks, who is an expert of great authority, tells us that "the notion that the employer is the superior and the employé an inferior, that it is the right of the former to determine, the duty of the latter to acquiesce, is a rooted idea among our capital-holders"; and we know from experience that capital will not treat with a foe whom it can crush. It was the strikes that workingmen had to undertake and support that first taught them the necessity of organizing; for they found by costly experience that these strikes were lost, because the unemployed in the "reserve army of labor" were ready to take their places whenever they left their employment. And so they have gone on organizing their unions in order to suppress competition among themselves, and their example has taught the same lesson to their employers.

They, further, have come to the conclusion that the true relation between employer and employed, that the ideal relation under the wage-system, is that of independent equals, each with the power to determine his own rights. As already noted, they are fast coming to look upon that workman as positively immoral who holds aloof from his fellows and refuses to enter the union of his trade. And now with the arrival of the Trust the ideal of every true

## STATE AIDS TO THE EMPLOYED

union man has become: an organization, controlling the entire labor force of the country; in other words, one National Syndicate of Labor. And they are right: combinations of workmen are correlative to the Trust under the competitive system, just as in a well-pulley the one bucket keeps the other in equilibrium. When we favor the development of trusts till they embrace all industries between ocean and ocean, we do so in the confident expectation that all workmen will also combine in larger and larger bodies, or our civilization will soon come to a halt.

But we know for certain that such an ideal can never be realized by the unaided efforts of our working-classes; not simply that alone they cannot form and maintain one all-embracing national syndicate, but it will be impossible for them even to get all the craftsmen of one trade into one union. Yet we say, the ideal must be realized, and that it may be the state, in the first place, must help the struggling workingmen. It is worth while for our statesmen to think over this matter, for they will soon be face to face with such a demand by a determined body of voters.

The demand will be right and adequate—indeed, the last stage of this competitive system cannot be safely passed without such great unions of labor; and we believe it to be practicable. It is rather odd, that William H. Mallock, the already-mentioned anti-socialist

## THE NEW ECONOMY

writer, should have made the first suggestion for accomplishing this purpose. He proposes that trades-unions should be converted into "an estate of the realm" by giving them a privileged *status* in law, "thus incorporating the working-classes into the constitution of their country." This will mean, applied to our institutions, that our states should in their laws "persuade" every workman to join his trades-union, or other labor-organization, provide all the motives the state possibly can control that may induce him to do so; and on the other hand so arrange conditions that it will be made as disadvantageous for him as possible to remain outside.

Let the law for that purpose grant to the unions and assemblies, when they are organized in a perfectly democratic fashion, as many high privileges as possible, in last resort that of finally determining all labor-questions for all the workmen in the trade, whether they be inside or outside of the organizations. In that way the law will make the union or assembly the legal representative of the men, on an equal footing with the most powerful employer. To such of our fellow-citizens who will be horrified at the suggestion of influencing every workman for his own good to become a member of a guild where his vote and influence will be equal to that of every one of his fellows we commend the words of Thorold Rogers, the Oxford professor of political economy, which

## STATE AIDS TO THE EMPLOYED

we have made a motto of this chapter: "I would, even at the risk of being thought reactionary, limit the franchise, parliamentary and local, to those and those only who entered into the guild of labor."

That such strong trades-unions—effective labor-organizations as we have called them—will very materially contribute to make obligatory industrial arbitration a success cannot be doubted; indeed, it may be found that they are a prerequisite to its success. For while laws for such arbitration may be passed and sanctioned by the courts, it yet is doubtful if, standing alone, they will be enforced. The most important element in the successful working of such arbitration laws is, naturally, that the arbitrators be men who have the confidence of the working-class; and it is very likely that to secure such arbitrators these effective unions are needed.

We have here assumed that both obligatory arbitration and effective labor organizations be constituted under the auspices of the several American states, as the only expedient method for starting these reforms. But it must be understood here and in the following chapters that the national government should be made to lend its assistance whenever possible; aye! that as soon as possible it should be made the preponderating organ. It was noted that a Federal statute exists, identical with the state laws on voluntary arbitration, but it has

## THE NEW ECONOMY

never been acted upon. We have, furthermore, an industrial organ of the national government, generally known as "the Department of Labor," but its true, official name is that of "the Department of Statistics of Labor," and as such it undoubtedly has rendered great services, so much so that it has been envied us by foreign nations.

But this department gives us only facts; it never even suggests what should be done on the basis of these facts; indeed, it has been the declared policy of its chief: "My business is to report figures; the function of congress is to contrive measures." There is but one real national department of labor in the whole world, and that is possessed by little Switzerland. But when we once get obligatory arbitration and effective trades-unions in the several states, then a true National Department of Labor will be in order and very much needed. It should be the superintendent of the unions and the adviser of the boards of arbitration. Whenever a strike or lock-out occurs, or is as much as threatened anywhere, this National Department of Labor should take the initiative, by sending its representatives into the implicated locality and setting the local arbitration body in motion. The Department of Labor, indeed, should be the organ of our working-classes, as later on it will be demanded that the Department of Agriculture should be the organ of our farmers.

## STATE AIDS TO THE EMPLOYED

Lastly, let us note that this obligatory arbitration and these effective trades-unions will be of the very greatest service when applied to a subject that always has been much agitated among American workingmen, whenever times have been "good" and they have had constant employment—to-wit: a normal working day of eight hours. It perhaps may be remembered that some years ago the agitation for that object threatened an almost universal strike all over our country, and created an almost universal scare; we have not heard of this demand for eight hours during late years, but we may be sure that as soon as the revival of business is assured it will be made again and with increased force.

Now, there can be no doubt that in the Coöperative Commonwealth no one will work in any calling longer than eight hours a day—unless it be for pleasure—but one does not need to be a Collectivist to hope for that. On the other hand, this writer is decidedly not one of the socialists who think that the less work mankind does the better; and we deem it a most dangerous delusion to indoctrinate the working-class, as Bellamy does, with the notion that the Collectivist state will bask in illimitable wealth, and that its citizens as a consequence will work only a couple of hours daily; this delusion, as has already been remarked, may prove a very costly, as it is a gratuitous, mischief. But it is absolutely shameful that in

## THE NEW ECONOMY

our country, whose workmen labor notoriously more intensely and assiduously than those of any other country, the work day often consists of ten to fourteen and actually here and there of more hours; it is evident that here an alleviation is requisite, simply that we may preserve our labor-power. Here, where we can conserve such a splendid, all-sufficient market to ourselves, we can effect a reduction of hours far more easily than they can in England, which is so dependent on foreign markets.

Even Professor Gilman admits the expediency of a reduction: "The gradual diminution of the average hours of daily labor," he says, "is a matter of vital importance in the progress of the working world." He calls attention to the moral aspects of the case: how, considering the time spent in going to the factory or shop in the morning, and returning home at night, the workman can have but small acquaintance in the day-light with his family, and actually scarcely knows his children but for an hour or two in the evening and on Sundays. "No properly constituted mind," he adds, "but will think that to take even but one hour of the daily burden of such a man and give it to his home, and to extend as fast as possible to all our hard-working fellowmen opportunities which our better-situated classes enjoy, would be a glorious achievement."

It may fairly be doubted whether the method adopted to realize this desirable end has been

## STATE AIDS TO THE EMPLOYED

a practical and expedient one. The leaders of this agitation have generally put Professor Gunton forward as their champion, and he unfortunately has made it a hobby. Eight hours a day, according to him, will solve the whole social problem. His main argument is, that all our unemployed would find employment by performing the work which would be left undone by the reduced working time of all the others. Surely this would be a grand thing to accomplish, but unfortunately it is highly doubtful if this would result. To be sure, as we have in the previous pages maintained, consumption precedes, actually precedes, production and is the dynamics of wealth; but the at present unemployed cannot begin to consume, cannot commence to make their effective demand, until they actually have taken their places in the ranks of the producers. The trouble is that Professor Gunton makes here an assumption which he has no right to make—to-wit: that the quantity of work required at a given time by the same number of people is a constant amount.

Again, we must first have such a law enacted in order to accomplish this. Now such a law passed by any one of our states, or a number of these states, however well enforced it may be, will not do any good at all, simply because the competition of the other states is sure to render it ineffective—indeed, this consideration is sufficient to render the first state appealed to

## THE NEW ECONOMY

unwilling to make such a trial. An eight-hour law by the states is then inexpedient. Consequently, if the agitation is to have results, we must attempt to make congress pass such a law; but to expect to succeed in this, and especially to expect to have such a law enforced in the near future, is about as futile as to expect that Collectivism will be enacted within the next decade. This, however, is by no means all. A national eight-hour law must be uniform—*i.e.*, it must apply to all forms of labor: to the manufacturing, trading and transportation industries, as well as to personal services. Think of this! There is labor of the most dangerous, the most exhausting, the most disagreeable kind, like that of mining—if any worker's time ought to be reduced below eight hours a day, that of the miner's surely is! Then there is the labor where one must constantly breathe unhealthy gasses or poisonous particles; where one is now exposed to extreme heat, now to extreme cold. On the other hand, there is decidedly pleasant work which anyone would be the better for doing; again, there are labors that keep the workers busy at some seasons, less busy at others; and finally there is work that cannot be performed but during certain months in the year, compelling the worker to be idle the other months, at least at his trade. How now is it possible to pass a uniform law that shall apply to all these different forms of labor? Lastly, the workers of some occupa-

## STATE AIDS TO THE EMPLOYED

tions surely ought not to determine the hours of work for those engaged in other labors; if anything, the majority in each trade and calling should decide in each case.

Now we have reached the point we wish to make on this subject. Just in the same degree that the reduction of the hours of labor is unfit to be the subject-matter for any law, and especially for a uniform national law, just in the same degree is it fit to be the subject-matter, first, for the determination of an effective trades-union, and next for settlement by obligatory arbitration. In this way, undoubtedly, first a nine-hour day, and afterward an eight-hour day, could soon be introduced in some of the most important manufacturing industries, since it already is admitted by many employers that a workman has only so much labor-force to spend during a given day—and this fact finds application even where machinery is used, on account of the full attention and skill called for. The same employers will, further, admit that for the same reason nine hours, and perhaps even eight hours, will substantially produce the same amount that ten hours now do. A similar reduction in the hours of labor of bakers, store-clerks, and others will speedily follow, as soon as they have formed effective unions. Again, we may expect that then the Saturday half-holiday will be realized in the same manner.

## THE NEW ECONOMY

Our second proposition, that for effective trades-unions, is really an exceedingly important measure; it does not mean the resurrection of the old guilds; but, if anything of the kind at all, it means a reconstruction of these guilds on a far higher plane. Our employers, if they ever become aware of their true interests, will lend their powerful assistance to this measure, for it must be evident to them, that the view that they are superiors and their workmen inferiors cannot for a moment withstand the onslaught of Democracy.

Effective trades-unions will大大ly increase the self-reliance and self-respect of our work-people, because they will better than anything else—short of the abolition of the wages-system—bestow on them security and independence. And what to this writer seems even more material is, that they will lay the soundest and safest foundation for the upbuilding of the Coöperative Commonwealth. Among other benefits, such unions will do away with the miserable suspicion which now is the very worst propensity of our working-classes, and quickly make those few of our workmen—by no means our most capable—who still are individualistically inclined change their minds. The clever and able wage-workers will soon find out, that they can vastly increase their importance and influence by entering such effective, democratically organized trades-unions.

And it should further be noted that the

## STATE AIDS TO THE EMPLOYED

public interests can be properly safe-guarded, as they are not now, when the state lends its authority to make labor organizations effective. There undoubtedly at the present time are some respects in which trades-unions are prejudicial to the public welfare, as when they insist that all their members shall be paid alike, irrespective of skill or industry, and when they arbitrarily limit the number of apprentices. The state can insist on the unions being subservient to the public interests as a prerequisite to its assistance, for—mark this!—the state is not here intended to be the agent or representative of the wage-workers or of any class; it will be, as it ought to be, the representative of all inhabitants within the state boundaries. The heart is the organ of the blood, but it is the agent and representative of the whole body.

The wage-earners will not be equal, one to another, since they are not equal in productive capacity; but they will be equal in dignity by virtue of their membership in public, corporate bodies, coördinate by performing equally useful functions.



## CHAPTER IX

### STATE HELP TO THE UNEMPLOYED

"This is the social problem in epitome: the able-bodied man who can get no work."

—*Saint Simon.*

"If the capitalist employer would but come to look at the whole question from a new point of view!—having regard to the signs of the times, with this Labor Question everywhere ominous and threatening!"

—*Prof. Wm. Graham.*

This chapter is perhaps the immediately most important of all. It deals with state productive work to the unemployed, and state assistance to coöperative associations. The first measure lends itself peculiarly well to local experiment; it takes hold of the social problem in its tenderest spot and in the most direct and effective fashion; lastly, it challenges and attacks the spirit of individualism in the most determined manner. The latter measure may furnish excellent opportunities to take struggling Ability under the arms.

The unemployed we always henceforth shall have with us—as long as this competitive system lasts. Lack of employment is now chronic with us in America, in good as well as in bad times; it is thereby, as already noted, that we at last have reached the level of Europe. And it is well to recall Saint Simon's pregnant sen-

## THE NEW ECONOMY

tence above quoted: the able-bodied man who can get no work presents the social problem in epitome.

Again, it is just whenever the proposal is made to help that unfortunate man by public employment that our miserable individualism shows itself in its most devilish form, for it replies to the proposal by virtually declaring that a poor fellow shall not have a chance to earn an honest living unless when some other man can make a "profit" out of him and his work. But there is now absolutely no help for it; the state is compelled in pure self-defense to act as a crutch to those "some-of-us" who have been wounded or crowded out in the competitive struggle, both for their own sake, and to save the employed from an unwelcome competition. There is no question that the measure is right and adequate; the sole question is: is it practicable?

The fathers of the Republic evidently thought, that state productive work for the unemployed was right and practicable in their time; for there is still a law on the statute books of one of the original states of the union, which says in effect: "Whenever a citizen of this state is out of work the overseers of the poor shall furnish him with the necessary raw-materials, with tools and a work-shop." That state is Pennsylvania, and the law has been there for nearly 120 years. But it is needless to say that this statute of the fathers has been

## STATE HELP TO THE UNEMPLOYED

left unenforced by their descendants—for the good reason that it was found to be in complete antagonism to the industrial system that soon after developed, and especially to the spirit of that system, to-wit: individualism. Yet we assert that if during any year of so-called “hard times” any one of our states will but copy this Pennsylvania statute—that is, furnish all their unemployed with the chance to work they want, by providing raw materials, tools and a place to work, and see to it that the law is enforced, it would immediately cause the real curse of hard times to vanish from its borders.

Now, take note of what it is that is demanded: it is “productive” work, and for “unemployed.” We must from the start bear in mind that it is the class of the unemployed with whom we strictly are concerned and for whom we are making provision, not for confirmed tramps and loafers. An unemployed, in other words, does not denote a man who cannot work—he belongs entirely to a different category—or a man who will not work; he precisely means a man who can work and who will work if he only can get a chance and whenever he gets a chance. It is this chance the state should give to him, because, as we shall soon see, it can give it to him. There is no use at present applying to the Congress for it, as was done some time ago; for even supposing it could be prevailed upon to enact the necessary law, we

## THE NEW ECONOMY

know that the supreme court of the United States would forthwith declare it unconstitutional—as we believe it is.

To be sure, the state will have to make the first advances, the necessary outlays, but here comes in our first important proposition: we assert, that a man who truly belongs to the unemployed—that is, the able-bodied man who desires work, even if he belongs to the less efficient, as we admit he generally does during what we call “good times”—can always earn enough to maintain himself and family decently and at the same time reimburse the state for all its outlays, and we may add, pay a proper interest on that outlay. This, of course, implies that these unemployed men be really paid what they earn; in other words, there is nothing whatever charitable in the state employment here advocated. That is why it must be “productive” work. Our idea is that the state should bring all its unemployed together—in one place or in several places—and then divide them into the two classes of skilled workmen and unskilled laborers. Let the latter class be set to work on the roads, or streets, or parks, or, modifying the well known Pingree Plan, let them raise garden produce on vacant lots, but the second proposition we insist upon is, that the skilled workman should be assigned to their various trades *as far as practicable*.

“As far as practicable,” mark! A cigar-maker must not expect to be employed in

## STATE HELP TO THE UNEMPLOYED

making cigars; however, some other useful employment is sure to be found for which his sedentary habits and nimble fingers will admirably adapt him, and cigar-makers are generally pretty intelligent folk who will cheerfully accept any congenial occupation, *i.e.*, any work they can do well, if it only affords them a decent livelihood. For this is our second contention: no man should ever be set to work which he cannot do well; it is monstrous, it, in fact, is degrading to make a skillful watchmaker saw wood.

All the remaining explanation of the measures can perhaps be best stated in the form of replies to the innumerable objections that are sure to arise. One of the very first that will be made is, of course, this: "What shall the state do with the products of all that labor? Where can it possibly find a market for them? Is this consideration not alone sufficient to show that the scheme is impracticable?" And right on the heels of it will follow groans and protests from private employers, who will fancy that their interests are threatened. Well, we contend, that it is just the beauty of this scheme that there will be no competition at all with these private employers, that no outside market is needed for the products of these unemployed. The simple solution of the riddle is, that these men and their families will furnish a market, ready at hand among themselves from the very first instant of their gathering

## THE NEW ECONOMY

together. They, of course, will all be hungry; there very naturally are bakers to be found among them, or men who readily can be turned into bakers: provide them with flour and ovens and let them go to work and bake bread for the whole party. Most of them are shoeless; there must be shoemakers among them: give them leather and tools and let them proceed to make footgear for all who are in need. So with clothing, with hats, with everything they need and with everything they may want—in other words, the scheme is to enable the unemployed to relieve each other's necessities.

This is precisely what these men and all the men we are here considering desire and ask: to have the necessaries and decencies of life for themselves and their families by earning them, by paying for them in work; and it is this, nothing more or less, that state productive employment will guarantee them. Whenever, then, all their wants are fully satisfied, and a continuance of their industry at its present energy will evidently result in a useless surplus, naturally they will reduce their working hours correspondingly—a remedy that indeed might with advantage be resorted to elsewhere in our country. We have, however, by no means forgotten what previously was said as to reimbursing the state for its outlays, and paying a proper interest thereon, though opponents here will very likely inquire, how this can be managed when no surplus products

## STATE HELP TO THE UNEMPLOYED

are to be disposed of. Well, they have forgotten the unskilled laborers, who were set to work on the streets, the parks and the roads of the state. These we assume supported from the products of the skilled workmen among the "unemployed."

It is an admitted fact that no one other single element contributes more to making farming a miserable life as well as an unprofitable business than our villainous country-roads. These roads are pre-eminently the concern of the several states; and hence by productive employment of the unemployed the state can actually kill two birds with one stone. Let road-making become an integral and highly important part of such state employment, so that those only who are really fitted for the work and who therefore alone can be expected to make a proper job of it are set to do it; then perhaps state-pride in having good roads may step in as an additional motive to help along the solution of the social problem. The idea of the "armies" who marched to Washington to induce Congress to set them to work on the roads was impracticable for several reasons, one being that the majority that composed them was probably not the right sort of material for road-makers. We therefore submit that the reimbursement of the state's outlays can very properly be expected to be defrayed by the earnings of the unskilled part of the unemployed. From this

## THE NEW ECONOMY

it seems to us evident that the whole class need in no way to come into competition with any private enterprise whatsoever. At the same time it should not be forgotten that while unemployed they are not customers to any appreciable extent of private employers; quite the reverse, they are often to a considerable extent burdens on them.

These considerations will most probably have to be repeated over and over again in order simply to gain for us a hearing. But then will come up the most obstinate objection of all: in regard to the outlays that will have to be raised in some way or other. Let us here announce, that among the measures that will be later on discussed there is one for government savings banks and another for government loan-offices; in case they at any time should be adopted and enacted, the national government would be enabled to assist the several states with advances for the very purpose here under consideration. Till that time shall arrive, the necessary outlays will have to be raised, of course, either by borrowing or by taxes.

But bear in mind, please! that these funds will have to be created only once for all; that is to say, there will be no yearly drain, no loss of resources, since we have assumed that the so-called "unemployed" restore to the state year by year its outlay, its whole outlay, which, of course, becomes available every ensuing

## STATE HELP TO THE UNEMPLOYED

year for the same number of beneficiaries, at least. Suppose now, bonds be issued, all that the collectivity virtually will do will be to lend its credit, for the men we have seen can be made to discharge the interest. But suppose that taxes must once for all be levied! Does that really seem such a heavy price for making unemployed, industrious fellow-citizens of the state self-supporting? The United States supreme court has made a federal income tax virtually impossible, until we either amend the constitution, or until the reform-party revolutionize the court itself. But the "states" themselves have the power left them to enact such an income tax. Why should they not do that for the purpose of instituting state productive works for the unemployed? We understand that the state of New York has most wisely enacted an inheritance tax—why should it not be used for this very purpose?

Remember, gentlemen of our comfortable classes! that something absolutely must be done. You will certainly have to make sacrifices of some kind, in order to avert greater dangers. And the prices which state productive work for the unemployed will cost, is clearly the very smallest installment with which you possibly can hope to escape. Suppose you wait till the next series of hard times come round, as they surely will; then, of course, our chiefs of industry will again, as soon as they cannot realize their accustomed profits, at once put

## THE NEW ECONOMY

a stop to all industrial activity everywhere by shutting down their factories and closing their shops. What if then the state, compelled by the spirit of Democracy, shall say to these employers and manufacturers, as with perfect truth and propriety it may say, "Gentlemen! if you so unceremoniously choose to abdicate your functions and refuse to perform the duties that hitherto alone justified your profits, then I will step into your shoes and assume these functions of yours. I am able to perform them, simply because I, the State, do not care for profits at all, and am not at all concerned about them. I care only for my citizens' having steady employment at decent wages, and for having useful, beautiful and serviceable products made to satisfy the effective demands which my citizens are sure to make." This is the sole secret of the potency of state management and control, that it has no need for profits—that is the real reason why the state can so successfully establish productive work for the unemployed.

But there are other criticisms that will be made. Some will exclaim: "So you want our state to invite tramps from our whole country to come here and actually swamp our own people, for that must be the necessary consequence." No, it must and it will not be the consequence at all. These critics forget that it is not tramps with whom we here have concerned ourselves, but the unemployed—with

## STATE HELP TO THE UNEMPLOYED

men who can work and will work whenever they have a chance. At present real tramps lead a comparatively easy life, because good-hearted people know that there are thousands of worthy and capable workmen trudging from place to place, seeking employment and never finding it, from which class of people the true tramps cannot easily be distinguished; and so they distribute their "charity" indiscriminately. But let them once know that an opportunity is open to everyone willing to work; they naturally will no longer feel pity for every wayfaring fellow and the inevitable consequence will be just the opposite of what the critics fear—to-wit: that the true tramp will give that state a wide berth that establishes public employment.

Or, can these critics possibly mean that the state will be swamped by industrious, useful people? Yet, every one of our commonwealths, old as well as young, seems rather proud when it can make a good showing in increase of population one census-year after another, and we think this is and will remain a sound sentiment for some decades to come. Instead, then, of having an interest in keeping able-bodied citizens away from its borders, we should think that any and every state would judge it to be a decided benefit, if public employment or any other such policy should have the effect of bringing her in the way of becoming one of the greatest and most populous of her sister-states.

## THE NEW ECONOMY

Lastly, it seems to us that it actually should make our cheeks tingle with shame to be told that imperial Germany has now for twenty-five years been acknowledging and acting on the principle that it is the duty of the state to furnish its people with opportunities for earning a living by work, whenever they themselves cannot find them. This is very likely due to the fact that in this empire the power of capital is far from being as great as in this country, but is there considerably circumscribed by the power and prestige of other interests. Our consuls have for some years been sending very interesting reports to the Department of State from which we learn that there are in Germany found a score of establishments where the unemployed can go and remain for up to two years, meanwhile maintaining themselves by principally agricultural labors.

Do, however, not misunderstand this as an eulogy of these establishments! It is the acknowledgment of the principle by the empire that is to be commended and which our public men should lay to heart, but not at all the manner in which the principle is carried out. In other words, the above mentioned establishments are just as little fit to become models to us as the English workhouse is.

But, as we have already intimated on divers occasions, the stubborn spirit of individualism which for so long a time has been dominant in

## STATE HELP TO THE UNEMPLOYED

all our affairs and which has insinuated itself into all our institutions, will not cease to protest and place every possible obstacle in the way of the measure proposed. There can be no truce arranged with it: it will be the master or it must be conquered. No matter how much or how sincerely we insist and prove that the state can productively employ citizens out of work without any actual infringement of the competitive system, that is, without in the least competing with private employers, individualism will yet protest that the measure is opposed to the spirit of private enterprise. We must boldly and directly meet this issue with the frank reply: Yes, you are perfectly right! We admitted, when discussing the Pennsylvania law, that it had not been enforced, because it was found to be in complete antagonism to the industrial system which was then developing; and so we now admit that state productive work for the unemployed tends to subvert the present system, this profit system.

We go further and say that it is actually intended ultimately to compete all private enterprise out of existence. No private business can for a moment rival an efficient public enterprise, in spite of Mr. Gilman's doctrinaire assumption that "a point is soon reached where private management is always superior to public control." Yet, it remains true, that we certainly shall not reach the goal, unless it be the will of the world-spirit; of the

## THE NEW ECONOMY

Power behind evolution. Nevertheless, the spirit of the measure under consideration is collectivistic; that of private enterprise is individualistic; the two spirits are diametrically opposed to each other: the one works for private greed, the other to satisfy public need.

We, however, at the same time contend that our capitalists and captains of industry ought, if merely from the point of view of enlightened self-interest, actively to help along this measure as well as the others. They must see that it will do considerably toward softening the labor-problem, "everywhere ominous and threatening." May they listen to Professor Graham's warning to their class: "To look at the whole question from a new point of view, having regard to the signs of the times!"

We have yet to discuss, not as a measure standing by itself, but strictly as an adjunct to direct state productive employment, state assistance to coöperative productive associations of unemployed. A great many attempts have been made here and in England to start coöperative production by the unaided efforts of workingmen; but virtually they have all failed, and it seems they will continue to fail, when made by workingmen alone. Mark! We do not now refer to certain societies which have measurably succeeded, mainly in England, and which have been greatly celebrated, for they have all been engaged in coöperative distribu-

## STATE HELP TO THE UNEMPLOYED

tion, and that feature, however excellent for the working-classes in some respects, has little or nothing to do with the solution of the great social problem.

The cause of this failure has already been mentioned: it is not so much the difficulty of procuring the necessary capital—though that is great enough—but the impracticability in workingmen to provide the right sort of managers; for a tolerably well-paid, forceful and capable director is an absolute necessity, and coöoperators have not been able to pay a manager well, while they have decidedly not liked him to be forceful. The recent scheme of Eugene V. Debs to start voluntary coöperative societies of unemployed has been very attractive to this writer, just because his ulterior idea was through them to capture politically the state where they should be located, say, Washington, but the great probability that the right managers for them would not be forthcoming, and then the lack of funds, has created much misgiving for its expediency. It is this great need of an able manager and the virtual impossibility of procuring him by workingmen alone that renders state assistance so very expedient and the proposition under consideration eminently "right," since it at the same time will enable the state to furnish precisely the proper opportunity to Ability.

In the first place, however, it will of course be expected that the state should advance

## THE NEW ECONOMY

capital at the current rate of interest to these coöperative associations of unemployed. For this we have several very excellent precedents; thus we have seen the British Government advance money to Irish small farmers to enable them to become proprietors of land; we have in 1848 seen the French republic do the same to a number of associations of workmen; and though this latter experiment turned out to be a failure, that was caused by the chilling *régime* of Louis Napoleon which followed the republic; and lastly we have all been witnesses to the constant anxiety of our own capitalists to obtain pecuniary aid from the American Government for their various enterprises and to their almost invariable success in obtaining them.

But the very important point we now wish to make is that the separate states may here confer a lasting benefit both on Ability without opportunities and on coöperative societies by selecting and appointing for these coöperative societies of unemployed under their auspices the proper managers for them. Then and then alone, we are sure, will such associations have the capable and influential directors who will be able to make coöperative production a success.

It is really a suggestive fact that the *Familistère* at Guise, France, is the sole productive, coöperative association in the world that has proven eminently successful. It has now

## STATE HELP TO THE UNEMPLOYED

existed for thirty-eight years, and has unquestionably been eminently prosperous financially; and yet its 2,000 work-people are very ordinary people: peasants and children of peasants who in the year 1859 were found living in the neighborhood of Guise. The explanation of this remarkable phenomenon is that Godin, its founder, stipulated with them at the start, that he was to remain manager for life and have the right to appoint his successor. This completely accounts for the financial success and material prosperity of the *Familistère*, which was entirely his conception and execution.

Now, such managers of coöperative societies of unemployed, practically in the service of the state, would very likely be satisfied with much less pay than their more fortunate brethren receive from private employers, both on account of the gratitude they naturally will feel and the reputation and consideration which their positions will confer on them. Also here the national Department of Labor—when it has become such indeed—should be of essential assistance by advising, superintending and coördinating these managers and productive coöperative associations; for surely it will soon become desirable to make their work integral parts of a great national system of coöperative production.



## CHAPTER X

### MUNICIPAL ENTERPRISES UNDER STATE CONTROL

"In the theory and art of modern city making we must frankly acknowledge, that Collectivism has a large and growing place."

—*Albert Shaw.*

This writer, as was just said, does not believe in private, voluntary, colonization or coöperative schemes; he deems them, save under very exceptional circumstances, a waste of effort, of money and of temper. To be successful they require first and foremost, as we have seen, exceptionally able men as managers, and, next, a great deal of money. But even if they are successful, their achievement is not worth their cost: they are generally started as models for the great, actual world around them, but this is precisely what they are not and cannot be, even not toy-models. The reason is that their membership is a picked one; and hence what they accomplish cannot be applied to the medley of men outside—still less when this "picked" membership, as frequently is the case, is one, to say the least, of peculiar people.

And the most serious objection still remains. These private, coöperative plans are in direct conflict with the only rightful, practical policy—to-wit: that of connecting with reality, and of seizing upon the point of least resistance. They

## THE NEW ECONOMY

leave the actual world. Now, this actual world, though, to be sure, it is a world of competition, is also a world of coöperation. The municipality, the state, the nation—and we may add the village—are coöperative structures, which it has taken generations to build up, which the people through generations have learned to use, and which moreover are capable of the greatest expansion along their natural lines. And we are so fortunately situated that we in our autonomous "states" have inherited a highly perfected social machinery, which absolutely no other people possess, if we except little Switzerland. We recall, that Pierre Leroux said: "Government is the organ of fraternity," and so our state administrations are truly our people's coöperative center. The measures suggested in this volume as being taken in hand by the state are simply a further practice of what the people have already been long doing.

Of the measures that should be taken none is more important than municipal enterprises. Glasgow has done immense service to economic progress throughout the world, and a city like Glasgow in the United States would have wonderfully ripening effects on our people.

In the new civilization which the twentieth century will usher in there is one prominent fact to which we are slowly awakening—to-wit: that the City is henceforth to be man's dwelling-place on earth. But do not misunder-

## MUNICIPAL ENTERPRISES

stand us. We do not mean that cities are going to grow as they have during the last half of this century, or that cities like London, New York and Chicago are even to maintain their present populations. We mean that city-life is evidently from this time onward to be not alone our providential lot, but the lot of all civilized men, for our rural populations also will be gathered into villages, possessed of all urban conveniences and situated in the midst of farms. There will be cities dotting the whole country.

Hence every city should be made a healthy and delightful dwelling-place, since it is possible to make it so, and hence it is highly gratifying to hear Frederic Harrison testify of Europe: "The growth of municipal energy is among the most stirring facts of our age." It is clear that Europe ought in that respect to be our teacher.

Let us now ascertain what improvements European cities have achieved, and at the same time inquire into their ways of procedure, and first let us take Germany. The Germans have unquestionably a higher capacity for organized social action than the Anglo-Saxon people; hence they should be able to teach us a good deal about city government. But let us at the start bear one important fact in mind which is opposed to our pre-suppositions: it is generally assumed that German cities have had centuries in which to accomplish their growth. Well, the truth is, that venerable age plays no rôle in

## THE NEW ECONOMY

the matter under consideration, for these cities have of late actually grown as fast as most American cities—aye, not excluding even Chicago; these later growths are as new as our own municipalities.

The German mind has a clear conception of the city as an organization for business and social ends; there it is the business of the municipality to promote in every feasible way its own welfare; that is to say, the welfare of the citizens. Hence there are in the German conception of municipal government no limits whatever to its functions. First, an abundant supply of pure water, thoroughly distributed, is in Germany considered too vital to be entrusted to private business control: all German cities, with unimportant exceptions, own and operate their water-works, which always are made to earn profits, averaging ten to fifteen per cent on the sums invested. Again, two-thirds of the large German cities own and manage gas-works as municipal enterprises, the list of which numbers approximately thirty; and everything indicates that the rest will one after another come under municipal control. Nearly a quarter of all the artificial light required by European cities is used in the streets and public places, and the tendency of municipal ownership of the gas business in Germany is found to be toward a more complete illumination and a more thoroughly diffused private use; while all over the country they find it easy to

## MUNICIPAL ENTERPRISES

make the business pay good profits. The same applies to electric lighting and motive power; municipal electrical works are there regarded as the logical development of a policy, generally accepted in Germany. Public control of gas- and water-supplies and of other services, requiring pipes, tubes and wires, has resulted in so orderly and convenient a system of underground conduits that it is deemed wise to allow no private companies to disturb it.

We can safely next expect to see in Germany a municipal monopoly of the fuel supply; for with the progress of electricity as an illuminant, gas is likely to be more and more used as fuel. The scientific German mind is at work upon every phase of the problem of electric railways, with the promise of results that in a few years will deserve the attention of other countries. Then there are municipal slaughter-houses and cattle-markets; further, municipal sewage-farms, over which the sewage is distributed by scientific irrigation, so that German sewage-systems actually are productive enterprises. The fact is, American cities lag many years behind Germany in municipal conveniences, even in our own field of electrical methods, simply because we have ignored her experience.

However, let it right here be perfectly understood, that it is impossible for us to achieve similar splendid results by simply copying the work of the German cities, for the adequate reason that their ways of procedure are totally

## THE NEW ECONOMY

opposed to our democratic spirit. One characteristic of the German city councils is the number of real estate proprietors in them as members; another is the presence there of men, eminent for their scientific, economic and other professional knowledge; another again is the fact that the citizen-representatives are unpaid members.

But the greatest and most remarkable feature of all—that to which Germany undoubtedly owes the success of its municipal enterprises and from the study of which we Americans probably may derive the greatest benefit—is that the city is managed, not by its city-council but by capable commissions, consisting of the eminent experts, above mentioned, with the mayor at their head. The mayor and the commissioners are the most highly trained experts that a given German city can secure. The mayor in particular is an expert in the general art of municipal administration; he is the general superintendent of the whole mechanism of government and usually the guiding spirit as well in the economic policies of the municipality. These professional experts have virtually a life-tenure in their positions, and are frequently taken, promoted, from smaller cities, where they have distinguished themselves in their special departments. Thus the late mayor of Berlin had made his reputation as mayor of Breslau, and was called to the capital to fill a vacancy in the same office there.

## MUNICIPAL ENTERPRISES

All the cities in Germany, small as well as great, maintain the same kind of city council, half of it consisting of unpaid representatives, the other half of paid professional administrators; and the pay of the latter is considered to be very high by the German official class; the remuneration, as a matter of fact, is tempting enough to insure the cities an abundant supply of trained talent from the universities and technical schools; even tempting enough to draw ability away from the different branches of the national service.

The experience of the “new” Vienna can perhaps also furnish us with an important object-lesson. Vienna, the capital of Austria, has in our days become the handsomest capital in all Europe on account of the encircling zone—the so-called “Ring-strasse”—laid out on the site of the old fortifications, now covered with beautiful streets, incomparable public edifices and charming gardens. The council of the city of Vienna at the time made great efforts to get control of this site, but the emperor was firm in insisting that it should remain the property of the empire—fortunately for Vienna, for an elected city-council would never have dared to devote four-fifths of such costly ground to ornamental and unproductive public purposes, leaving but one-fifth to be disposed of to private purchasers, as was done by the Imperial commissioners, appointed to take charge of the improvement.

## THE NEW ECONOMY

When we turn to Great Britain, we find still other municipal problems energetically taken in hand during the last generation and successfully solved. There is, first, the street-car problem. In 1870 Parliament passed the General Tramway Act, which empowered municipalities to own and operate street-railroads—or “tramways,” as they are called in Great Britain. That act has been taken advantage of to the extent that now almost exactly one-third of the mileage of street-railways in that country has been constructed and is owned by the municipal authorities. Glasgow, Hull, Leeds, Sheffield and a couple of other cities themselves operate the lines; the other cities have leased the lines they have built on terms so favorable that they would very much surprise Americans—both financially and in regard to the conveniences that must be afforded the public, especially the workingmen. Moreover the sentiment in favor of municipal management of traffic is evidently becoming so strong all over the country that all the cities will take control of it as soon as the franchises fall in, whether they own the lines or not. This in a few years will be the case also in London; the county council having already resolved upon it.

At present, however, Glasgow is the only city in the world that furnishes us an object-lesson as to the practicability of this particular municipal service. It was on July 1st, 1894, that this

## MUNICIPAL ENTERPRISES

city, on the practically unanimous demand of its citizens, began operating its street-cars. It was deemed safest to begin with horse-haulage and gradually to pass over to mechanical motive-power, showing that Glasgow as to rapid transit is many years behind American cities. It was decided to divide the lines into half-mile stages, and to charge a half-penny for each stage. A short time afterward certain long penny runs were added for the benefit of workingmen particularly. The first year's working proved financially successful. But far better is it that the municipal authorities have put on a handsome new equipment of cars, prohibited advertisements on cars, provided the employés with uniforms, pay them wages which are satisfactory to them, and have reduced their hours of labor to ten, while under private management the hours had often been not less than fourteen, twelve being the minimum. Yet after all these improvements Glasgow has secured a larger net revenue than during any year of its lease to the previous private company, while overcoming a most bitter competition from that old company, which started a great number of omnibuses.

The housing of the masses, in the next place, has come to occupy a chief place in the minds of British reformers and absorbs much municipal energy. The solution of that problem started with the enactment by Parliament in 1875 of the very elaborate Artisans' Improved

## THE NEW ECONOMY

Dwellings Act, with which a considerable activity began. The municipal authorities of Birmingham have built a considerable number of model five-room cottages, which they are renting, besides having condemned the entire central district of the city at an outlay of \$8,000,000, torn down the four thousand buildings that covered it, and converted it into splendid avenues and substantial structures.

But Glasgow also here has taken the lead. To-day that municipality is a landlord on a large scale; it has laid out twenty-nine new streets, widened and improved twenty-five old thoroughfares, vastly improved old buildings, erected a great number of solid, model tenement-houses on the site of the old ones which had been torn down; besides it has built and now itself manages seven substantial model lodging-houses; and lastly in 1894 it entered upon the construction of a "family-house," intended as a supplement to the lodging-houses. Manchester, Sheffield and other cities are now following in the wake of Glasgow and Birmingham. Great Britain, as a matter of course, is fully as advanced as Germany in regard to water-works and gas, and electric lighting.

But here also applies what was said about Germany: we cannot simply go to work and copy British ways. The mayors, aldermen and councilmen are all substantial citizens who serve gratuitously, and are kept in office twenty-five, thirty, forty or even more years.

## MUNICIPAL ENTERPRISES

These authorities again engage able experts as permanent assistants, heads of departments and directors of public works.

Europe, however, has shown us, that great municipal enterprises are possible and practicable, and, further, that they can be made profitable. There is no doubt that in time we shall come to achieve equally splendid results, but to do that we unquestionably will have to accept the guiding principles of municipal government, which across the Atlantic are now no longer subject-matter for serious discussion, but we cannot adopt them as things are.

What is the matter with American cities? We must first settle that. They certainly have got a very bad reputation; they all are said to be deplorably mismanaged, to be corrupt, wasteful and extravagant. Professor Bryce in the *American Commonwealth* says: "The one conspicuous failure in the United States is its municipal governments." Our well-to-do classes say that this is due to our cities being governed by universal suffrage, and that the cities of England and Scotland, that Berlin and Paris are splendidly governed, because they are administered by the property-owners, and this is probably true.

But why? That is not the way that universal suffrage has worked elsewhere in our country: it has on the whole given us a respectable list of presidents and a number of very capable governors, and of mayors, too. To be sure,

## THE NEW ECONOMY

if we go to Boston or New York we find that but a small part of the "city-fathers" are property-owners—of the councilmen about one in ten. It is, of course, easy enough to understand that councilmen and aldermen who themselves pay no taxes are ready at the smallest inducement to increase the tax-rate, or add to the city indebtedness, but why should they want to waste the city's resources, or be unwilling to benefit and beautify the place of their residence as much as the resources will allow? Moreover, many of these property-less city "fathers" are among the most cultured, conscientious and upright inhabitants of their respective localities.

No, it is not universal suffrage by itself that is the cause—fortunately not. There is another, an adequate cause for it—to-wit: the cry for employment. The trouble is that every municipal undertaking is looked on as an expedient for giving the people employment. Every councilman and alderman has troops of "friends" and clients among his constituents, who pertinaciously clamor for a place: those who are idle want work; those who have employment want a better berth—therein lies the difficulty. This is a pressure to which a city council, elected by universal suffrage, will always be exposed as long as the present competition for a living lasts. But these municipal enterprises must, if they are to be successful and effective object-lessons, precisely not be

## MUNICIPAL ENTERPRISES

undertaken and conducted with any view at all to giving labor employment, but with the sole object of furnishing the best and cheapest light, the cheapest, the most wholesome and abundant water, the cheapest, safest, quickest and most comfortable transportation.

For that purpose Ability, whenever found, must be brought to the front and assume the administration; and, next, this Ability must be retained in those posts as long as good results are shown. But our cities will never, as they do in Germany, elect for their councilmen or mayors able men from other cities, still less from other states; and the municipal authorities which they do elect will never, however enlightened or worthy they be, have the courage or the power or the tenure of office to place and keep at the head of municipal enterprises such capable men as are found in such positions in Great Britain. What can then be done? you ask. Always, when great reforms are to be inaugurated, follow the line of least resistance. There is one authority with us that can utilize the proper means and in which our citizens are in the habit of taking their refuge in extreme cases—and that is the state.

The American “state,” we know, has the legal power to superintend all municipal institutions and enterprises. The city is, as a legal proposition, the creature of the sovereign state; it is a corporation with strictly defined, delegated powers. When the state grants a city a

## THE NEW ECONOMY

charter, it should consider and safeguard state interests, precisely to the same extent as it is supposed to do in granting a charter to a railroad. And yet we know as a very common experience, that whenever any town wakes up and becomes aware of the need of an improvement, first of all the cry is raised: "Self-government! We must get rid of all interference on the part of the state!"

We say this is all a mistake. Capitalists might with just as much propriety demand that the legislature should grant to the stock-holders of a railroad "self-government, free from state interference." Let it be borne in mind that whenever a city is badly governed, it is a reproach to the state just as much as to the city—hence the state has, besides the legal, also the moral power. The state has often controlled the municipal, police and other agencies by commission, and the Federal government has for many years superbly governed its capital city by a commission, without it having been charged with being undemocratic.

The state at least will dare and be able to do things which the municipal authorities dare not even attempt—and here it is worth recalling what the Austrian Government dared to do and did accomplish with such striking benefit to Vienna. The state is the only available agency that has sufficient authority to start such an important reform as that here contemplated; in our large cities especially local politics is

## MUNICIPAL ENTERPRISES

generally for "business," while the state is at any rate further removed from such pressure. She alone has sufficient prestige to draw expert ability from private channels into its service and sufficient stability to keep it there.

But understand what it is that is here proposed: let a city decide for itself whether it wants such and such a municipal enterprise undertaken and the extent of it; let it further keep the financial part of it in its own hands—the experience of Europe teaches us, that every such municipal undertaking, when properly conducted, will not alone be self-supporting but can be made highly profitable; but as soon as resolved upon, let the state authorities take charge of its installation and afterward have exclusive control of its operations. That is to say, the state will execute what the city legislates, just as the supervising architect of the Treasury Department in Washington City has charge of the erection of the public buildings, authorized and provided for by Congress.

Our present institutions have been wrought on a basis of husbandry—which means the tillage of land by manual labor—and of rural life. In the process of enlarging the functions of government we shall have to re-adjust these institutions of ours—there is no help for it! Municipalization of "public utilities" is to be the achievement of the near future; no clear-thinking mind, no well-read man, doubts it.

Many advocate it who are not Collectivists

## THE NEW ECONOMY

at all. Henry George even, who prided himself on being opposed to everything which he called "socialism," actively favored municipal water-works, gas-works, electric power-works and street-cars. That is to say we are all of us breathing an atmosphere charged with Collectivism, and this breathing, unbeknown to ourselves, twists our minds in a collectivist direction. Both friends and foes of our cause help it along; the only parties who oppose us tooth and nail are those who reason: "What is a city good for if we cannot make money out of it?"

And there are other public utilities than those here mentioned worth thinking of in this connection. Several of our municipalities may come to the conclusion that it will be to their advantage to socialize the local telephone service. The present rates surely are extortionate, which it is easy enough to see, if we compare them with European rates. In Boston they have to pay \$75 to \$156 within one mile for the use of a telephone annually. In Philadelphia the charge is \$100 to \$250 and in New York \$240 a year. The charge for five minutes' use of the long-distance telephone between New York and Chicago is \$10.

On the other hand, in Germany the public telephone costs but \$36; in England, \$35.70, and in New Zealand \$24 a year. Sweden charges \$10 for a telephone, connected with every city in the kingdom and placed gratis in

## MUNICIPAL ENTERPRISES

any domicile; in Switzerland the charge is \$24 the first year, \$20 the second and \$16 the third year, and it pays for itself and more at those rates. The telephone service, then, seems to be another public utility which it may seem worth while municipalizing, together with the street-car service and gas and electric lighting, again, we should say, under state supervision.

And is not a municipal fire-insurance worth investigating and thinking about? It seems proper that the same agency that protects citizens' property against fire, through its fire department, should pay for that property which it does not succeed in saving; and that, of course, can be done only by a general insurance policy. We understand that the city of St. John, New Brunswick, has entered upon that policy—another instance where Canada takes the lead. Undoubtedly it would be the very best, if the state itself would discharge that function entirely.

The principal concern of the state authorities, we assume, will be to place men of real ability at the head of the various departments and of each one of the great municipal works, with practically a life-tenure, and a veto power on all appointments, and to make them responsible for results; then we shall be as successful as they have been in Europe. Then we shall here also witness the phenomenon, so common across the Atlantic, of seeing numbers of clever young men, carefully preparing themselves at

## THE NEW ECONOMY

the universities and technical schools of our country for a life-work of municipal service in its various departments; and of others trying sufficiently to distinguish themselves in villages and smaller towns to attract the attention of the metropolitan cities.

## CHAPTER XI

### THE LIQUOR TRAFFIC—STATE SOCIALIZATION OF MINES—NATIONALIZATION

“We regard the State as an agency whose positive assistance is one of the indispensable conditions of human progress.” —*The Am. Econ. Ass.*

We now have come to our fifth and sixth measures, the first of which—to-wit: *State Control of the Liquor Traffic*, is easy of accomplishment, provided it be kept clear from the interference of our good, but impracticable fanatics.

This writer is glad of being among the first to suggest that remedy for the many admitted evils of intoxicating drinks—as he did in his volume, *The Coöperative Commonwealth*. It was a satisfaction to him to learn shortly afterward, that some political conventions had endorsed the idea and made it a plank in their platforms.

State control of the liquor business is right, mainly because it will abolish the saloon, and with the saloon the most pernicious influence in politics of the liquor interest, while not depriving anyone of the indulgence in moderate drinking, which the state has no right to do. A “saloon” is here understood to mean a public tippling place—premises where liquor is

## THE NEW ECONOMY

sold by the dram and beer by the glass. When the state takes the sale of intoxicating beverages upon itself, its agents exclusively will sell them at a limited number of places in quantities of definite measures, but never to be drunk on the premises—this last is of capital importance.

Three important consequences will evidently flow from these requirements: first, all drinking will be done at home, in the presence of wife and children, to a great extent at least; next, that most seductive but pernicious American custom of treating will be discouraged; and thirdly, the seller will no longer have a pecuniary interest in disposing of as many drinks as possible. These consequences will do very much toward decreasing drunkenness and all drinking to excess; open saloons will, as said, vanish, and no secret drinking places will start up in their place—unless the new law creates new temptations.

But that unfortunately is what the so-called "Dispensary" laws have done—and done most unnecessarily. It is naturally the People's Party that has fathered these laws: the Dispensary law of South Carolina, and a similar law which the party attempted to get enacted in the state of Washington. They committed a great blunder in both measures as to the same matter, but curiously enough in opposite directions. Let us bear in mind that the principle in both measures was right and com-

## THE LIQUOR TRAFFIC

mendable, and it is highly desirable that all our commonwealths should enact it into law. But in South Carolina they provided for too large a revenue for their state from the traffic; in Washington they went to the other extreme and proposed that the liquor should be sold "at cost." It seems that common sense would have told the legislators of the southern state, that when they charged outrageously high prices for their liquor they would be exposed to illegal competition, which, of course, has been the result, and ended in disaster for the law and the cause. What in all the world can have moved the northern law-makers to want liquor sold "at cost" is difficult to understand, unless it were the pressure from their allies, the prohibitionists, who would not tolerate that the state should derive any benefit whatever from "the dirty thing."

However, if the state will sell pure liquors and beers of good quality and at reasonable prices, there is no reason why it should not easily maintain its monopoly.

The sixth measure is *State Socialization of Mines.*

That great organization, the "Federation of Labor," some years ago, at its annual convention in Denver, Colorado, adopted two notable resolutions: one in favor of the municipalization of public utilities and the other demanding "the nationalization of railways,

## THE NEW ECONOMY

telegraphs and mines." This addition, "and of mines," is especially noteworthy, as it is the first instance of such a demand by any large body of citizens and was probably due to the presence and efforts of the delegates from the National Miners' Association.

Professor Graham in his *Socialism Old and New* in several places shows himself quite favorable to this idea of the socialization of the mines, for he says: "The raising of coal and ore does not call for any transcendent ability in the mine-owner, and these products easily lend themselves to injurious monopolies. The state would take more precautions for the safety and the health of the miners: it would be but substituting complete state management in place of so much regulation; then furthermore we should not have any restrictions on the output of coal for the sake of raising prices." Nevertheless there is little chance of the socialization of mines of any kind by the nation, that is their nationalization, being made an issue of practical politics in the near future in this country.

Henry George and his disciples, the Single-Taxers, we know, also advocate the socialization of mines, but their scheme is a confiscation of the mines as well as of the land; they, however, have no better chance of success than a socialist has of seeing his whole program at once adopted.

The state, of course, has a perfect legal and

## SOCIALIZATION OF MINES

moral right to assume the ownership of all mines—against compensation, of course—that is a part of its right of eminent domain. The Constituent Assembly of France at the beginning of the great Revolution was wise enough to make their mines national property; but Napoleon most mischievously reversed that patriotic policy and gave them in 1810 back into the hands of private parties of capitalists. It would have been of vast benefit to our country, if the national government had kept hold of the gold and silver mines of the west, and of the rich copper and iron mines of Lake Superior, or if the state of Pennsylvania had retained her anthracite coal mines for her people.

If the national government had controlled the output of silver we should, as has already been mentioned, have avoided all our silver troubles during the last twenty years. If Pennsylvania had owned her coal mines, there would not have been the lavish waste which often has justified the criticism, that the rich deposits were being robbed, for they certainly have not been worked in accordance with a far-sighted policy, calculated to secure the best results from an economic point of view. It is admitted, that the system commonly practised in coal-mining is terribly wasteful; it is estimated that from thirty to forty per cent of the coal in the Pennsylvania anthracite mines is lost, because the pillars that support the roof

## THE NEW ECONOMY

are pure coal. It is certain that no inconsiderable percentage of our original vast mineral resources have been irretrievably lost, simply because they were private property.

The mining industry surely is of sufficient magnitude to warrant all possible effort at socializing the mines—which is bound to come sometime; even their nationalization is sure to come in due time. According to the last census report we produced in the ten years from 1880 to 1889: of pig iron, \$957,000,000 worth; of bituminous coal, \$804,000,000; of anthracite coal, \$712,000,000; of silver, \$506,000,000 (coining value, real value of course much less); of gold, \$330,000,000; of copper, \$192,000,000, and of lead, \$126,000,000, amounting in all to \$3,627,000,000—that is to say, we produced of these leading minerals an annual value, on an average, of nearly \$363,000,000, which average rose in the year 1889 to \$422,000,000, by which 635,000 persons directly found employment.

While there seems little chance in the immediate future of getting these mines nationalized, there is a possibility of small installments that would be of great value to the cause of progress. There is Alaska, whose mineral wealth is hardly touched, and which may yet be saved to our people, the rather that this wealth is said to consist in low-grade ores; for the mining industries seem to be more permanent and more regular, the more they exist

## SOCIALIZATION OF MINES

on a basis of a lower grade of ores. But how splendid it would be, if some one of our great mining states should a few years hence get under the control of the reform party, and give us object-lessons in the public management of mining! We hardly dare think of it, but suppose for a moment that the reformers in the great state of Pennsylvania should become strong enough and clear-sighted enough to wrest the control from its present bosses and make its vast wealth of coal and iron the property of its people! Or, suppose the state of Michigan would restore her iron and copper to her people! or the Rocky Mountain states their precious metals to their people, or even but Illinois or Iowa or Alabama their bituminous coal to their inhabitants! Would these states but listen to this trenchant observation of Napoleon—of him who so freely disposed of the mines of France to capitalists—“The discovery of a mine creates a new property: an act of the sovereign becomes necessary,” and in consequence decree that all new deposits, veins and seams of minerals, discovered in the future, shall belong to the state, they would render a great service both to posterity and to the living generation.

Observe the great advantages that would flow from such a law. First to the mining operatives. Think of how terribly wearying and even painful is their occupation! Think, do think! of the coal-miner, going down before

## THE NEW ECONOMY

the sun has risen into his dark, confined hole, and lying there until the sun has set, sometimes on his back, sometimes on his side, or on his knees, or on his belly for hours, picking out coal! And what an enormously hazardous occupation his is to life and limb! From this it is the most natural thing in the world, that the coal-miners have developed into an extremely reckless class. We further know that they usually are very ignorant, which mainly is due to the importation into our country of Belgian, Hungarian and Polish miners by our coal and iron-mine barons for merely selfish purposes. But now they are here, a part of our people, and the state must for its own as well as for their sakes look out for them.

Again, there are the consumers of coal, especially the poor in our cities—to them coal is a prime necessity of life; they must be protected against the outrageous, autocratic famine prices, put on that commodity by interested parties. Lastly, in some states the people actually should be protected against themselves: mining operations, more than any other business, are made the pretext for gambling on the most extravagant scale; why, it is the simple truth that mining makes many more gamblers than horse-racing does, and that the majority of the population of our Rocky Mountain and Pacific states habitually gamble in mining property. And women are worse offenders than men.

## SOCIALIZATION OF MINES

But it is an all-sufficient argument for the socialization of mines, that mining is a permanent and irretrievable deterioration of a country, rendering it less valuable to posterity; this is a concession that never should be granted individuals for the sake of their individual greed. And this motive is very much strengthened by the reflection that the near future is going to devolve on the state far greater functions than it hitherto has undertaken—functions that will require ample means, which such socialization will provide. However, state socialization of mines is, of course, but a stepping stone to their nationalization.

In conclusion of this subject we must call attention to some highly important, peculiar facts concerning our coal-mining industry, which perhaps will hasten the nationalization of these mines.

The *Engineering and Mining Journal*, in discussing the last great mining strike, said: "The annual consumption of coal in this country has never quite reached 190,000,000 tons, and, according to reports made to the authorities in the several states, the mines have a capacity to produce this quantity in a little more than ninety days." In other words, the plain fact must be faced, that the country does not need all of these coal mines in operation, and cannot support all of these men as coal-miners. There are veins two feet thick, and other veins six feet thick; there are plenty of big veins where

## THE NEW ECONOMY

coal can be mined easily and sold cheaply, to supply the entire trade; if a rate per ton were fixed that would supply a fair wage, and if then the operators who would pay that wage were allowed to start up, while the rest of the mines were kept idle, that would be the correct solution, but it would not satisfy the operators who own the thin veins or the miners who work in them.

That solution must somehow be worked out in the near future, for it is the only policy that can succeed. But nothing but nationalization will work it out. It is a case parallel to national control of our silver mines, which would have prevented the agitation for the free coinage of silver.

The last strike was not a contest between capital and labor at all; it was a contest between rival coal-fields. The whole theory of advancing the price of coal so as to enable thin veins to be worked is wrong; and he who tells our miners this truth is their real friend.

Here we close the discussion of socialization by our "states." When in Europe they speak of "state control," "state ownership," they exclusively mean ownership and control by the nation. It is, as we have seen, our great good fortune, that we can leave a great many activities to nearly half a hundred autonomous subdivisions for examination and experiment; and we have decided that it is part of wisdom so to

## NATIONALIZATION

do. But now we pass over to measures over which the national government has exclusive jurisdiction, in which therefore it will have to take the initiative.

Here as before it is wise to acknowledge facts and to build upon them. Such facts we have already found the Trust and our protective tariff to be. Such another important, accomplished fact is the passing of the various civil-service reform acts, both by Congress and by local authorities.

A reformed civil service is a prerequisite for the success of every extension of functions, whether by the municipality, the state or the nation. Indeed, no proposition for additional functions should be so much as listened to that does not contain provision for such reform, applicable to every one of such added functions. The municipal enterprises, advocated in the previous chapter, will without such reformed civil service be entirely unworkable and therefore should in default of it not be thought of.

These various civil-service reform acts have fortunately set the face of our nation in the right direction, and the nation will surely never turn its face the other way. All of these reform acts aim at securing, first, real merit as the sole ground for an original appointment and, next, absolute security of the appointee in his position as long as he performs efficient services—and not one moment longer—together with the

## THE NEW ECONOMY

right of promotion, if fitted for the higher position. So far so good.

The first requirement is, of course, by far the most important one, and here unquestionably all these reform acts have miserably and lamentably failed, so much so that it is by no means without justification that they have been styled "humbugs" by prominent politicians in Congress. Of course, if unfit persons carry off the prizes in the first place, then their fixity of tenure only makes matters worse, considerably worse. The fact is, that those who framed and passed these acts seem to have adopted this requirement for every other reason but the right one: they wanted to guard persons in authority from the importunities of office-seekers or bring some sort of order into the chaos of the spoils-system; not to sift out ability from the mass. But this is precisely what civil service reform is intended to do; and this is why this reform, or even this groping after reform, is such an important advance.

Let us recall the words of Thomas Jefferson: "May we not even say, that that government is the best which provides the most effectually for the pure selection of the natural *aristoi* into the offices of the government?"

It would be well if Jefferson's words were still powerful enough to recall government to its duty toward struggling Ability. The experience we have had for a hundred years should greatly strengthen them. We ought to

## NATIONALIZATION

know that disappointed talent and genius is the most dangerous element in our civilization, as Professor Draper has observed. We have seen it engaged in mischief or leading strikes—in all sorts of ways acting as the leaders of men out of work. In other words, struggling Ability forms a part, and not a trivial part, of the social problem. The able, educated man with no means of living—what a crying failure of our civilization! Hence it is doubly the duty of government to search it out and furnish it with opportunities to become a leader of men at work. It is in fact a heavy count in the indictment against our ruling classes, that they have done nothing in that respect. But that is what a reformed civil service will enable government, and particularly the national government, to do.

The tests, however, provided by the reform acts, are certainly not such as will bring real ability to light; their purpose seems rather to be to fill the offices as orderly as possible, no matter by whom. To gauge a mature man's fitness for a given place by his remembrance of what he learned at school appears rather irrational. It is indeed questionable, whether literary examinations are at all to the purpose—it is certainly not the way in which a business man chooses his assistants. One should think that a trial for a certain period would answer much better as a test; but that undoubtedly requires labor and conscientiousness.

## THE NEW ECONOMY

However, it is a good sign that the argument that civil-service reform will result in an aristocracy of office-holders, has lost its hold. An aristocracy of office-holders should properly be equivalent to an aristocracy of ability; and the people that heartily acknowledges such an aristocracy is progressing. The time is fortunately past when it was held that an American had a vested right to occupy any office by rotation. Under Collectivism every citizen will be an office-holder, it is worth remembering.

Another important, acknowledged fact that we should recognize and build upon is the proposition for building the Nicaraguan Canal by the party in power.

This Nicaraguan Canal question should now greatly interest all who have a clear-cut conception of the goal before us, since it has entered into a new phase by the advent to power of the Republican Party, after it had adopted a plank which of all the platforms stood alone in declaring that "the canal shall be built, owned and operated by the people of the United States." We assume that those opposed to this scheme are to a great extent moved by the considerations set forth by Mr. Nimmo in an article some years ago in the *Forum*—to-wit: "That commercially the canal will be a failure, because the income to be derived from it will never come anywhere near paying the cost of construction and operating expenses."

It seems, however, that the foundation for

## NATIONALIZATION

Mr. Nimmo's contention is very sandy. This foundation is, that sailing vessels will not be able to use the canal on account of the "doldrums," that is, the calms that habitually obtain in that locality on both sides of the continent. Why! is that argument not of a piece with the objection that once actually was urged to the introduction of petroleum?—to-wit: that we could not make use of it in the whale-oil lamps then common? Further, it is clear that such arguments exclusively apply to the scheme, looked on as purely a private enterprise. Even if as such it should not "pay"—which emphatically is not admitted—the loss would for the nation be many times offset by the consequent development of the states west of the Rocky Mountains.

It is well known, that a great disappointment has reigned over the slow growth of the Pacific coast since its first settlement in 1848—a feeling that it is all wrong, that after the lapse of half a century the three Pacific states have but a little more than two millions of people, while the rest of the country has grown to some sixty-eight millions, in spite of seven transcontinental railroad lines, in spite of their glorious climate and splendid natural opportunities. Now, we know that the Erie Canal has built up the wealth of the great lakes and that the Sault Ste. Marie Canal has wonderfully developed the rich Lake Superior basin; in the same way we may for certain prophesy that

## THE NEW ECONOMY

the Nicaraguan Canal will be instrumental in filling up the Pacific coast with workers and with wealth, and in making the Pacific Ocean as bustling in activity as the Atlantic now is.

But beside the economic there are dominant political and patriotic considerations, why the American nation should construct and operate this sea-highway, and our war with Spain has fortunately emphasized them. One is that it will do as much at least as all our transcontinental railroads to make us one people, to cement us together. Our country has now 10,000 miles of coast-line on the Atlantic, separated from another 10,000 miles on the Pacific by 14,000 miles of the roughest kind of seas; the canal will give us practically one continuous coast-line. Another consideration is that the world wants, must have, the canal, and we, as no inconsiderable part of the world, need and must have it. The Nicaraguan and Suez Canals are clearly destined to be the two *foci* of the commercial ellipse of the globe.

Here as well as in other respects the dawn of the twentieth century will bring us to the great crisis: that is, we shall have to decide once for all, whether we want to be a mere Hanseatic League or, indeed, a World-power.

If the latter, then we shall build and operate the canal; if the former, then some European power will do it, in which case we necessarily abdicate our glorious mission of educating mankind up to a peaceable democratic civilization—

## NATIONALIZATION

democratic, industrially as well as politically.

Fortunately the Power behind evolution will not permit us to abdicate: we shall have to expand—we are expanding, and that at the line of least resistance, toward the south. That is why our influence is now felt in Mexico. We shall have to be one people up to the Isthmus; that is, the Nicaraguan Canal is to be a part of our southern border-line. There is no help for it.

But the peculiar reason why all who believe with the writer of these pages, that there is a Providence in human affairs who has appointed for us the main road we must walk, should welcome the execution of this canal scheme is, that it is clearly a mile-stone on that road. Its execution and operation will demonstrate, that our government can carry out great works as well as and better than private individuals, and demonstrate this in the sight of the whole people—to the confusion of those who pretend that it is only “routine” functions that governments can manage.



## CHAPTER XII

### A NATIONAL TELEGRAPH

"The same principle which demanded the transference of the mail from the horse-drawn coach to steam-impelled vehicles is equally potent for calling in the telegraph in aid of the Post-office in the discharge of its great function of rapidly transmitting correspondence and intelligence." "I think the telegraph should be exclusively under the control of the Government."

*—Henry Clay.*

All those who agree with the conclusions at which we arrived in the first two parts of this volume will take even more interest in the nationalization which we are to discuss in the following chapters than in the state-socialization of which so far we have treated. The reason is that nationalization of any enterprise will indicate a conscious development of our whole people, from which no backward step is possible, while state-socialization may be only a local experiment. There are five measures of nationalization that will be proposed: the nationalization of the Telegraph and Express-business; Government Banking in its two divisions of savings-banks and loan-offices; National Control of all fares and freight rates as a step to the nationalization of the railroads, and the Department of Agriculture, constituted an effective

## THE NEW ECONOMY

organ for our farmers, though not their agent.

These five measures of nationalization will have these important consequences:

First, each one of them will render the people highly important services and confer great direct benefits on them.

Second, they will train the government into doing efficient service for the people, thus discrediting individualism; and

Third, and not least, they will enable government to give a lift to struggling Ability by affording it the needed opportunities.

All of these measures may become serious subjects of practical politics during the first decade of the twentieth century; the logic of events may even force the party in power to advance much farther and faster than is to the liking of its capitalist leaders. But those inclined to Collectivism will want especially to push the nationalization of the telegraph, for that is clearly the point of least resistance: the Republican Party is in a measure committed to it; it has the example of Great Britain and of the whole civilized world to recommend it; and it has been repeatedly shown that it will especially by its cheapness promote the popular welfare.

What is it now that opposes resistance to the measure? All business arguments have for a long time been before the people in reports, congressional records and magazines; they are all in favor of a national telegraph and not a

## A NATIONAL TELEGRAPH

single business reason can be found or invented for its private management. What is it, then that has been so invariably successful in defeating its nationalization? Ex-governor Altgeld answers: Corruption; he finds corruption everywhere. To be sure, there is too much corruption in our country, but it is a poor philosophy that suspects it everywhere on vague grounds. There is another adequate answer: that which has defeated nationalization is the false demon, individualism, that has possessed us since we were an infant; that demon undoubtedly breeds corruption, but every individualist is therefore not yet corrupt.

It is this individualism that favors competition in all things; that claims that all business is outside the sphere of government; that makes Gilman utter his dictum, that private management is always superior to public control; that at one time made Altgeld himself feel, as he expresses it in his own words, "that private enterprise could manage the railroads better than the public." Individualism blinds people to the truth which is the very opposite: that no business is outside the sphere of government, but that at a given point of development public management is always more efficient than private control. It is individualism that so far has upheld private ownership of the telegraph, though this ownership for a long time has been a trust—a trust, then, of a public utility; and a national telegraph will do

## THE NEW ECONOMY

very much to discredit individualism everywhere.

We say that the party in power is almost committed to a postal telegraph system. Indeed, it cannot be disputed, that the Republican party has actually started all the measures here suggested. As it is the party of protection and the party opposed to indiscriminate immigration; as it fathered the phrase: "the United States is"; as it was the party that first united the Mississippi River and the Pacific coast by the iron girdle and now has promised to unite the Atlantic and Pacific Oceans by the Nicaraguan canal, so it has through different post-masters-general advocated a national telegraph. It has repeatedly in the same way favored postal savings banks; it has enacted the Inter-State Commerce law, and it has founded the Department of Agriculture, of which a Democratic secretary has declared that "it offers opulent opportunities for the exercise of the most pronounced paternalism;"—but then, to be sure, it was not nearly as much under the thumb of capitalism, or so much under capitalist leaders, as it now is.

It counts among its pioneers Henry Clay, the leader of the Whigs, who were the predecessors of the Republican Party, and he it was who in 1844 induced the American government to build the first telegraph line, that between Baltimore and Washington; who thereupon in 1845 presented the best business argument we

## A NATIONAL TELEGRAPH

yet possess for a postal telegraph and who then declared: "I think the telegraph should be exclusively under the control of the government." Two Republican postmasters-general, each with a different scheme, at different times made vigorous efforts to secure favorable action from Congress. In his official report of 1890 postmaster-general Wanamaker said: "We worry the railroads with importunities for new trains or for faster ones, that shall save perhaps three or four hours to the business-men and the letter-writers; all the while the quickest service by which electric letters might be transmitted and whole days or whole nights might be saved and gained is kept out of their reach."

And most decisive of all: it was a Republican Congress that in 1866 actually passed a law providing for the assumption by our government of the control of all then existing telegraph lines, but afterward in a faltering spirit unfortunately postponed the execution of the law for five years, in order that the private companies "might realize some profits on their investment" (*sic!*). These five have now grown into thirty-two years, and during that long period of grace the Western Union has from its excessive rates, "realized" more than \$125,000,000. It was understood that several Republican congressmen were preparing to push forward during the regular session of the LVth Congress a postal-telegraph bill. In doing

## THE NEW ECONOMY

this they would be following in the footsteps of their party during the noblest period of its career and carrying out its most brilliant traditions. They would have but one active opponent: the Western Union Company, that, of course, acts as the private companies of Great Britain did, which exerted all the ingenuity they could command to defeat, defer and embarrass the inevitable changes. In consequence nothing has so far been done. Well, we must not forget that they would have also the spirit of individualism to combat.

The next demonstration, that makes the nationalization of the telegraph the point of least resistance, is the example of England—the country *par excellence* of individualism, and yet a country where capital has not the unlimited power it has with us. It is now nearly thirty years since Great Britain nationalized her telegraph system by first buying up the old plant for an excessively high price, something like four times its true value. Since then the British postoffice has sent the telegraph into thousands of rural districts where the private companies neither did go nor would go; it has established rates considerably below those which we have to pay; it has raised the salaries of its employés every year two to three per cent, and yet its income from the telegraph has paid all operating expenses and all cost of extensions, and turned into the British treasury a good profit. Still it is doing

## A NATIONAL TELEGRAPH

a great deal of losing business: thus press-telegrams are transmitted at very low rates, and besides, much business is done for the railway companies without any charge at all, under obligations which were incurred when their systems were acquired by the nation; yet a gradually increasing surplus is left to be applied to interest account on the investment.

Now bear in mind, that England had tried private ownership of the telegraph for twenty-five years previously and that it was from disgust with its waste and inefficiency that she adopted the present system, in which she ever since has gloried. And other countries also have had a similar experience: Belgium, Holland, New Zealand, first tried private management, found it unsatisfactory, and now claim that the change to public ownership has proven beneficial in every respect. On the other hand, the countries that began with a national telegraph, like Germany and France, have enjoyed unbroken telegraphic peace and satisfaction.

The proper policy to pursue is found in the answers to the question: by what instrumentality, by private or public telegraph, will the public welfare be best served? Now, all the arguments go to prove that the public telegraph is that instrumentality; and the promotion of the general welfare, we know, is one of the objects of our national government. As a stepping stone to the public welfare the cheapness of the public telegraph must be considered, and

## THE NEW ECONOMY

this comparative cheapness has been proven over and over again. The experience of Great Britain proves it: during the last ten years the postoffice there sends a telegram from one end of the United Kingdom to the other for six-pence—for ten cents—while here we cannot send the shortest dispatch the least distance for less than twenty-five cents. It has been ascertained that the private telegraph charges of America are more than double the public rates of Europe, and that is not at all because of our greater distances, for the rate per mile in Europe is less than half the rate per mile here—and yet our business is all internal traffic, while over there it is to a great extent international. A congressional committee that examined into the subject came to the conclusion that the rate per mile in England is less than one-third of the rate here, while in France it is actually less than one-fourth our rate mile for mile.

One reason for this cheapness of operation undoubtedly is the substantial manner in which the governments of those countries construct their plants, contrasted with the flimsiness, practised with us. Scarcely a storm of any magnitude passes over our country that does not play havoc with the overhead wires and wooden posts that here without exception are the rule; while the underground system is fast becoming the rule in Europe. In Germany the wires are underground; in Belgium they bury

## A NATIONAL TELEGRAPH

the wires in iron tubes, but in France they have more completely than elsewhere conquered the difficulties connected with the system; in Switzerland they use wrought iron posts, grounded in blocks of stone; Great Britain finally shows some of the most thoroughly built and best designed examples of line construction in the world.

The union of the telegraph with the post-office has been productive of so great economy that England gets 71,589,000 telegrams for less than fifteen and a half cents each. France gets 45,300,000 for less than fifteen and a half cents each; Belgium gets 8,320,000 messages for eight and a half cents each, while the United States must pay thirty-one cents apiece for about 68,000,000 telegrams—these are all messages taken together, both private ones and those on public business. That is to say, we in America have to pay an average of thirty-one cents for each message, private and public, while in Europe all their public dispatches are sent free of charge. And observe further, that with these cheap rates every country in Europe reports a profit on its telegraph business. Europe, as a whole, indeed, makes a profit of twenty-seven per cent on all transactions. It has been calculated that at the very least, judging by the experience of England and the United States, the telegraphing done in Europe would cost her people twenty-five million of dollars more under a private system than it

## THE NEW ECONOMY

does now under public ownership. And the reason for this cheapness does not consist in higher wages being paid here, for comparing a private business here with a government employment in Europe, the tendency runs the other way; no, our operators are known to be at least twice as efficient as those in Europe, and no wonder, since here one young generation of operators gives way to another unceasingly.

There cannot be the least doubt that our Postoffice department can perform the telegraphic service as cheaply as it is done in Europe; and as postmaster-general Wanamaker said: "It can do it at less cost than any private corporation, unless the latter has rent, light and fuel free, and carriers and clerks without pay." In all the smaller places in our country the postoffice would afford ample office accommodation and the postmaster probably would generally act as the operator. Rev. Lyman Abbott after some investigation has come to this conclusion: "It is said by experts that twenty-five cents as a minimum charge for a message to any part of the United States would pay the interest on the investment and the cost of administration."

But, as already said, this cheapness of the public telegraph, this business argument, must not be the first consideration, but simply an element in determining, whether it best subserves the public welfare. Now here is

## A NATIONAL TELEGRAPH

another element that deserves far greater consideration—to-wit: that the public telegraph is much superior to that under private control for the purpose of binding together, of amalgamating, the people of the various sections of our country.

Professor Gilman argues against our following in the footsteps of England, France and Germany in the matter of nationalizing the railroads and telegraphs by contrasting the fact that "we are spread over an enormous area" with that other fact that, "the European states are compactly settled countries." Evidently individualism has made Gilman a sophist; to every mind, not unduly prejudiced against public activity, these very facts that he mentions would seem the strongest possible argument in favor of nationalizing railroads and the telegraph, as they have done. Our "enormous area," in particular, thinly settled, would seem almost imperatively to demand a national telegraph system, in order to have a quick service; and, what is perhaps even more important, in order to bind together our territory.

Our Postoffice Department is the one national enterprise that aims at efficient service of our people as a whole; it is the only one that touches, or at least may touch, the life of every citizen and that exclusively in a beneficial manner; no wonder that it is by far the most popular branch of government. In the words of a postmaster-general: "There are mail

## THE NEW ECONOMY

routes thousands of miles in the new states and thinly settled parts of the older country where every mail entails a certain loss to the Department, but the priceless privilege of communication by post is maintained, though every other channel of intercourse is closed." The Post-office brings to citizens newspapers and books at about one-sixth of the actual cost of carrying them; it is not a scheme for profit; it is its aim to extend its service wherever it is needed. The private telegraph on the other hand extends its business only so far and so fast as is profitable.

In pursuance of this policy the Postoffice Department has hitherto constantly been adding facilities to facilities for ready communication; it has cheapened postage; it has penetrated to every nook and corner of the Republic, and is using the fastest mails and stage-coaches. The people know full well that when the Postoffice Department gets control of the telegraph system it will facilitate its use precisely as it has facilitated the use of the mails; it will adopt every new invention that will add to its usefulness, as has been done in Europe, and not act as the private telegraph company does—to-wit: adopt only such inventions as will add to its profits. What will the inevitable consequence of such a policy be?

The Democratic postmaster-general whom we had in the Cleveland administration, Mr. Wilson, opposed nationalization of the tele-

## A NATIONAL TELEGRAPH

graph with the remark: "No probable reduction of rates or increase of facilities would greatly multiply the number of patrons, compared with all the people." How supremely absurd such an argument sounds, especially when the American people are concerned! We may safely say that with a national telegraph the time will soon come when every citizen will habitually make use of it—far oftener indeed than he now uses the mails, for to many among them it is really too great a task and requires too much deliberation to sit down and write a letter.

The experience of Europe is enough to disprove Mr. Wilson's assertion, though America, we are sure, will far discount that experience. The Belgian director of telegraphs reports: "These several reductions have caused four times the number of dispatches that would have been sent at the old rates, resulting from the use of the telegraph by a larger number." In England under the *régime* of the private telegraph, there was one telegram sent to 121 letters; after the change the proportion was one telegram to 30 letters. The popular use of the telegraph in Europe is vastly greater than with us: in Great Britain there are 184 telegrams sent to every 100 persons; with us with twice the population there are but 95 messages to 100 persons; this is evidently due to the public telegraph over there and to the private one here.

## THE NEW ECONOMY

And now let us institute another important comparison. The president of our Western Union admits that 46 per cent of all telegrams, sent by his company, are speculative in character; 34 per cent belong to legitimate trade; 12 per cent are press dispatches; and only eight per cent are of a social character. How different this is in Europe! In Belgium social messages now constitute 55 to 63 per cent of all; in Switzerland 61 per cent are social, while in England the social business is four times larger than with us and in proportion to population eight times larger. Imagine now the difference between the present state of things and as matters will be after the Postoffice Department has assumed the management of the telegraph: now the wealthy people of the cities probably use it all they wish to do, but to the poor and even to those in moderate circumstances the present rates are practically prohibitive. Further, now the Western Union has but 21,000 offices, if we include all the branch offices it has in the large cities, while there are at present 70,000 postoffices, and many more telegraph offices will undoubtedly be added, when they are placed under national control.

Can there be any doubt what is the cause of the miserable showing we make in the social use of the present telegraph service? And can there equally be any doubt that a practical people as we are will make a very different

## A NATIONAL TELEGRAPH

social use of it when it is really placed at our disposal? Why, we may be sure that when once telegraph rates approach those of postage, our people in the different sections will become just as neighborly and harmonious as now the inhabitants of a city are; and how important that is, the late antagonism of the east and west should teach us! This will be the highly civilizing work of the electric telegraph. And to think that now it serves only speculation! Surely the fusion and fellowship of our people is a noble ideal, and it is to serve that ideal that we should agitate for a national telegraph and for withdrawing it from the clutches of greed.

The arguments in favor of a postal-telegraph service apply equally to the nationalization of the telephone—except that the latter will not nearly have the influence of the former on the social and sympathetic sentiments of our people. Even suppose a citizen of Seattle could cheaply talk through a long-distance telephone with a citizen of Boston, this would be of but little service comparatively, provided he could cheaply exchange telegrams with him. Hence there is not the immediate necessity of obtaining a national telephone. Anyway, we are sure of getting it in good time, as soon as we get the national telegraph. Quite another thing is it that our municipalities should, as elsewhere discussed, do all they can to socialize local telephone service.

## THE NEW ECONOMY

But lastly, the express business ought decidedly to be nationalized; that is to say, the function of the Postoffice should further be extended to embrace the carrying of parcels of every kind to every part of our country. A National Express system is only second in importance to a National Telegraph system, just because it also will do very much toward unifying our people. Here, again, it is Great Britain that has preceded us and become a pattern to us by establishing its so-called parcel-post in 1883. This has been just as great a success as her postal telegraph. Postmaster-general Wanamaker also recommended its establishment here in his report of 1891, arguing that the Post-office went to thousands of localities where no express company would consent to go, and bluntly stating that the strongest, and indeed the only objection to it consisted in—our four express companies.

But what is now needed as the first progressive step on the part of the Nation is the postal telegraph. It will in the highest degree serve the public welfare. Every nation of any consequence in the whole world owns its telegraph. When, however, our country at last takes the step, she will thereby consciously and deliberately deal such a blow at individualism that it may vanish like a nightmare, and she may thereupon pass the other nations on the road to Collectivism.

## CHAPTER XIII

### NATIONAL BANKS OF DEPOSIT AND BANKS OF LOAN

"We can estimate the annual savings of England and of France at four to six hundred millions of dollars."

*—Prof. Charles Gide.*

"I suggest that the funds, which soon may reach the sum of \$500,000,000, be utilized in erecting public buildings, and thus diverted from speculative to legitimate purposes."

*—Wanamaker, Postmaster-General.*

It is really curious that of all civilized nations we Americans are the only people who would ever think of making a political issue out of the money question, or of any financial question for that matter. But here the fact is facing us that at the last election six and a half millions of voters made the money question the issue, cast their ballots with enthusiasm for it, and at the next national campaign may create some other financial issue. We must reckon with this fact, and since they are bound to have a financial issue, we should try to persuade them to present one that is "right"—which, please remember! means to be in line with evolution.

There fortunately are two such measures, forming one issue, that both are thus "right" and adequate and practicable—to-wit: national banks of deposit and national loan offices, and the issue may be called Government Banking.

## THE NEW ECONOMY

However, while it will be a change in our financial system, it does not contemplate any change in our monetary system. We shall first discuss these measures, and then treat of a step to them that perhaps may be enacted into law before this century closes—to-wit: Postal Savings Banks.

By Government Banking then is here meant, that the national government shall take upon itself some of the principal functions of our present private banks: that it shall receive deposits and that it shall lend money—the moneys which depositors confide to it. But it is also meant that at least for the time being, government is not to discount commercial paper or deal in exchange on foreign countries. To make our government receive deposits is a measure that will be highly acceptable to a great many citizens, probably to a majority of those who have any money at all to deposit. We all know the terrible losses and anguish of mind caused by the breaking of banks, even of so-called “national” banks, in spite of all the supervising, at present exercised by the national government. And these losses generally occur to poor people who can least bear them. The sums that would be deposited with the government on account of the perfect safety which it guarantees in the sub-agencies, dotting the whole country, would be enormous; we shall later on see how enormous. There would, of course, be private banks, competing for

## GOVERNMENT BANKING

deposits, as long as the government banks keep aloof from all commercial transactions, of every kind, as is here proposed.

Next, through its loan-offices it is proposed that the government shall lend these moneys out, against unexceptionable security, of course, at a moderate interest charge—this will probably be the most popular part of the scheme. To circulate the funds in the states as far as possible in proportion to their contribution to them would perhaps be the most expedient method. Then the government could efficiently assist our struggling farmers, when prostrated—these latter will know and feel the difference between the ten and more per cent they at the present time have to pay to the private banks on their mortgages and the four or less per cent which they will pay to the government.

Here comes in the supplement to the proposal for state productive work for the unemployed, which was mentioned when that matter was discussed: that the government might use a proportionately small portion of the funds, thus placed at its disposal, by advancing it to the various states as loans at a very small interest for the purpose of starting such productive work; this assistance would, of course, much facilitate the execution of the scheme. These loans by the government to its citizens will cause this notable and far-reaching change, that, whereas now the ready wealth of the country is used for the benefit of the rich and

## THE NEW ECONOMY

by speculators, often for illegitimate purposes, then much of it will be utilized for the benefit of the people and to a great extent of the poor. This shows that the measures are adequate. That the function of discounting is not at all essential to the working of banking institutions is seen from the Bank of France; it exercises an enormous influence in that country, and yet it effected in the year 1891 not more than thirty-nine per cent of all discounts, and the proportion is constantly decreasing.

If a demand for such a Government Banking scheme should be made the principal plank in the platform of the Opposition in 1900, it would stand a much greater show of success than the Bryan Party did in 1896; for there certainly is no issue that would be so popular with the American people as such a demand; no issue that could so easily secure a majority in its favor as that demand. Thus it is practicable. If our country once wills such Government Banking; if our people at a national election deliberately decide to adopt government banks of deposit and government loan-offices, all the power of our plutocrats cannot possibly prevent it—in that respect these measures are very different from a change in our monetary system, which the capitalists can make nugatory, however much the people will it.

Lastly, as we at the start insisted on, the measures are right. They point to Collectivism. They will be a hard, knock-down blow

## GOVERNMENT BANKING

in the face of plutocracy. They will prove splendid object-lessons to our people of the ability of their government to conduct business better than any private party. Government Banking will make all interested in their government, will make their government more popular with them than the Postoffice or even a postal-telegraph can do; it will make people love their government and through it their country as their benefactor. It like nothing else will create a national spirit of solidarity.

But such a Government Banking scheme is unfortunately not acceptable to members of the People's Party. This writer has now for years been expounding it to Populists and has been trying to induce them to substitute it for the monetary plank of their Omaha platform, but in vain; they apparently care not a particle for the government controlling the financial resources of the country, if it is to be done on a gold basis; in other words, they care more for cheap money and plenty of it than for government control. Their ideal is: irredeemable paper money. Whenever government needs money for any purpose: to erect a public building, or to lend to farmers, let it simply go to work and print a few millions of dollars and issue them. Free silver was utilized by them simply as a step toward this ideal. This they call "scientific money." Well, it might be scientific money if we now had the Collectivist *régime*, completely established. But to try it

## THE NEW ECONOMY

under the present individualist competitive *régime* would be perfectly absurd; that is, under a system that guarantees to everybody the right to do with his own what he pleases; under such a system our government cannot make its notes a legal tender in the market for purchases.

The whole trouble lies in our greenback friends not distinguishing sufficiently. They see, that our government can make, and repeatedly has made, its paper money a legal tender for debts, and hence jump to the conclusion, that it can make them a legal tender in the market. This is a huge mistake. It can make them legal tender for debts for the sole reason that every creditor in last resort depends on the executive power of the government for the collection of his dues, and therefore the government can make its conditions for its assistance; but even not if it placed a squad of soldiers at each grocery store can it make a grocer take its notes in payment of his wares if he does not want to do so voluntarily, and why? Because it is the grocer who owns the wares, and not the government. On the other hand, under Collectivism the government will own all products and therefore it then can promise to take its own notes for its own wares. But we know, and greenbackers not only know as well as we but claim, that under our present system it is the rich who own nearly all the wealth of the country; hence, of

## GOVERNMENT BANKING

course, they can take or refuse to take whatever they please in payment for what they part with.

Often they have chosen to refuse government notes, or have taken them only at a great discount. We know that the government now issues a certain amount of its notes, and that they are kept at par; but we also know, that there is a limit to their amount, beyond which government cannot go. What is that limit? Economists say, it is the point up to which the people will take them. Not at all; the people are mostly poor, and will take anything that will buy them the necessities of life; no, the limit is the point up to which the rich, the capitalists, will take the notes, and the government has absolutely not the power to make these rich folks take them—unless the People's Party in power hang the first ones who refuse to do so, but that will be another French Revolution, and the first of that kind proves, that even killing will be no remedy. Thus it appears that unlimited, irredeemable paper money will, indeed, be cheap money, but that will mean that it will be worthless money. Here we discover the radical difference between the plan of the People's Party and the scheme for Government Banking, here proposed; theirs is at present absolutely impossible: no matter how much the nation wills it, the plutocrats are stronger and can always frustrate it; hence the agitation of the Populists simply irritates them but does not hurt them. But Govern-

## THE NEW ECONOMY

ment Banking on a gold basis is feasible; if the government insists on receiving deposits and lending them out, all the capitalists in the country cannot prevent it. And we have the rudiments of such a Government Bank, a real People's Bank, in the Independent Treasury of the United States.

It was at first the idea of this writer that the Government Bank should, besides receiving deposits and lending them out, also directly and exclusively issue all paper money, strictly limited to the amount now in circulation; but he is now not so sure that this is under all circumstances feasible. It seems absurd to argue that our government cannot issue its own notes, but must for safety's sake delegate that part of its sovereignty to so-called "national banks," when these notes, after the banks have issued them, derive all their excellence from the government's own bonds, pledged for their redemption—when these notes thus are based on the very credit of the government. What now is done really is, that the government loans hundreds of millions of dollars to private parties at one per cent a year, for that is the interest these banks pay annually in the form of a tax on their issues.

However, suppose that the Populists get into power and proceed to enact the plan for Government Banking here proposed, but add to it a provision for an issue directly by the government of all paper money to the amount now

## GOVERNMENT BANKING

outstanding. Of the success of this part of the scheme the Populists would, of course, not have a particle of doubt. Nevertheless, this writer must say, that he is very much afraid that the rich with their present power could, if they very much wanted to, make such a note-issue disastrous, and we suppose they would be much tempted so to do. Charles Gide, the French radical economist, tells how the French government during the disastrous war of 1870 issued \$300,000,000 of paper money through the Bank of France, paying the latter a commission of one per cent, and adds: "Experience has shown that when the issue of paper money is confided to banks, instead of being done directly by government, there is far more prudence shown and far less exposure to dangers exhibited, because — bankers are far more watchful in defending their own interests and those of their stockholders than the National Treasury is, alas! in defending the interests of the people." Such a man's warning should not be ignored; still his words may be true about the vacillating and unsettled French government and not apply to our government, with its century of stability and a credit, superior to that of any private bank. But we supposed greenbackers in power, and that fact may dissipate all the credit. The trouble is that our reformers do not sufficiently appreciate the great, the fearful power, which now our plutocrats possess; and that no great reform

## THE NEW ECONOMY

can be achieved until that fearful power is broken down, and this cannot be accomplished till the functions of government are extended.

This scheme for Government Banking has here been discussed mainly in the hope that the reformers may study it and perhaps be induced to formulate a demand for it, to be incorporated in their platform for the next national campaign, in the place of the demand for free silver and paper money, which hitherto have filled their whole horizon. But there is one step to it—a great step to it, which already is a matter of practical politics, and that is a bill for Postal Savings Banks. It is directly in line with the traditions of the party in power; it has been advocated by several of their postmasters-general; and the Republican party may be tempted to pass it, in order to take the wind out of the reformers' sails. The present postmaster-general announces, that he is heartily in favor of it, and Republican congressmen are said to be preparing such bills.

Great Britain here also has taken the lead and has for a generation been teaching the other governments that they are the proper custodians of their people's money. And other countries, as diverse as France, Italy and Austria, have been apt scholars, and from their experience we have much to learn. The case of France is notable especially in showing us what enormous sums of money the people's savings may amount to. Its National Savings

## GOVERNMENT BANKING

Bank, to be sure, dates only from the year 1875; but other savings banks, private and municipal, existed previously, in which the largest deposit by any one individual could not exceed the sum of \$300. Now all these savings banks, of whatsoever kind, are compelled to transfer their deposits into the hands of the state, and this national fund in the year 1895 amounted to more than eight hundred million dollars, and increases every year by the sum of \$40,000,000 to \$60,000,000! It was only in the same year, that is in 1895, that a feeble attempt was made to utilize this huge amount in what we should call the only proper way: in the way that would really benefit the whole people.

This way Italy has for some years been pursuing in a really admirable manner; that is to say, she has been lending the deposits of her savings bank—a proportionately large amount of her national wealth—exclusively, and as a matter of policy, to her small farmers, at a very small interest-charge, indeed. As a consequence she pays but a small interest on the deposits, but the depositors seem satisfied with it. The effect of this policy on agriculture and the agricultural classes in Italy has been very marked, and for that reason her example ought to furnish us a great deal of food for thought. Austria is another country whose experience is well worth studying by us, but for a different reason. She inaugurated her

## THE NEW ECONOMY

Postal Savings Bank System as late as 1882. Every postoffice in that empire is now performing the functions both of a savings bank and a bank of deposit; and by this time the activity of the latter quite overshadows that of the former. This shows the popularity of the institution among a people who as to enterprise surely cannot be compared to ours.

But, of course, we can learn most from England—that classical land of individualism and private enterprise and which, by the way, must be admitted to know something of banking. Her Postal Savings Bank system was inaugurated by Gladstone, as Chancellor of the Exchequer, in the year 1861, and its growing popularity with the people is shown by these facts: in 1886 there were 6,500,000 depositors; in 1896 they had increased to over 11,000,000; in 1886 the value of the postal deposits for the year was \$78,500,000; in 1896 these increased to over \$160,000,000; the total amount standing to the credit of depositors jumped from \$254,000,-000 in 1886 to \$489,000,000. The cost of each transaction has been about fifteen cents. In that confined empire there are twelve thousand local postoffices that do a savings bank business, they receive deposits of from twenty-five cents to \$250 a year, and allow interest of two and a half per cent. As an inevitable result the government system has absorbed almost all the old savings banks. Equally successful the system has proved in Canada; in 1868 there

## GOVERNMENT BANKING

were eighty-one such banks there, and the balance to the credit of depositors was \$205,000; in 1897 there were eight hundred banks and the balance due depositors amounted to \$31,000,000.

There was some prospect that the LVth Congress would give us postal savings banks, especially as the Postmaster-General expressed it as his opinion that "they will bring out many thousands, perhaps millions, of money now hoarded away in chimneys, stockings and stoves." But we still have to wait. Wanamaker recommended such banks in his report of 1890 and repeated it in his following reports. His plan was as follows: "That postal savings banks be located, first, in states having no laws regulating savings banks, secondly, in any other state upon the petition of a considerable number of residents of any one locality, and, thirdly, not more numerously than one post-office for every ten miles of area; that the interest to be paid depositors shall be fixed by the secretary of the treasury at the beginning of each year and be one-half of one per cent less than the average rate paid to depositors by private bankers."

So far so good! There can be no doubt that if we could get only this small installment of Government Banking, we shall soon see how popular is the idea, and what enormous proportions these postal savings banks will assume in a very short time. Why! every locality will

## THE NEW ECONOMY

speedily have one; not alone many, but probably a majority of the present patrons of the present savings banks, and very many who now do not save at all, will deposit their money with the government, with whom there is no fear of loss, but on the contrary a complete guaranty. It then may even be expected, that many wage-workers will become frequent depositors, for, contrary to current opinion, it is a sad fact, that here as in other countries this class of our people contribute but an insignificant fraction to the funds of the savings banks. The postal savings banks will in the first place be intended for out-of-the-way places and for the benefit of the poorer classes—the smaller the sums the greater is the duty of the government to guard them. Since all banks need its supervision and yet depositors suffer, what reason is there—except our miserable individualism—why the government itself should not undertake the function? If from the beginning it had done so, as it has the business of forwarding letters, no one now would dream of a different arrangement.

Of course, the most serious question will be about the investment of the funds. There will be endless talk about government bonds and available securities. Wanamaker was courageous enough to suggest that the funds might be utilized in erecting public buildings and "thus diverting them from speculative to legitimate purposes." But he soon found out

## GOVERNMENT BANKING

that it was necessary to conciliate capitalistic interests, and so in his report of 1892 he made two propositions: first, that "all postal savings received within a state, shall be placed on deposit with the national banks of that state"—that is, that moneys for which the government is responsible should be cared for by banks which the government must oversee and which sometimes break in spite of such oversight—and the other, that "in order to put the money in circulation, the secretary of the treasury shall offer the funds, accumulating in each state, as a loan to the national banks of the same state, at a rate of interest to be fixed by him."

It is to be hoped that these recommendations will be disregarded, and that rather our representatives in Congress will come to see, that if the government can assist its less fortunate citizens by safely lending them sums out of the savings of their fellow citizens, it is its positive duty so to do. Also in this matter England stands before us as a shining example, for she has during the last decade been advancing money to the small Irish farmers to enable them to become proprietors of the land they cultivate. Why should not the funds be lent out in farm-mortgages, say, to half the real value of the farms and at a very moderate interest? Of course, to this the objection will be raised by "conservative citizens," that this is active competition on the

## THE NEW ECONOMY

part of the national government with "established private business"—that is, with the business of charging ten to twelve per cent—in other words, the spirit of individualism will assert itself, and perhaps this opposition will at first be successful.

However, let the door only be opened! Let us get the merest fragment of Government Banking, and without a doubt in a short time all private savings banks will have to wind up their business, and government loans will soon follow, for our farmers will be so persistent in claiming the benefits that would flow from them, that they will be irresistible. The postal savings bank will do even more toward opening people's eyes to the curse of individualism and toward shattering it than the postal telegraph. England was fully as individualistic as our country has been, when she commenced to take these advanced steps, and now she—undoubtedly in consequence of them—bids a hearty welcome to the socialistic spirit. She actually has turned a somersault during the last generation.

Besides doing the banking business for our people to the extent here outlined, the national government ought, of course, in time to evolve into a General Insurance office, but our present constitution, we know, will not permit that. As said in another place, the Coöperative Commonwealth, or the Collectivist Republic, may

## GOVERNMENT BANKING

properly be defined as the Universal Insurer. We have also called attention to the fact, that it actually is a topsy-turvy matter, a perfectly scandalous affair, that the business of insurance, especially life-insurance, should so far have been left in the hands of private parties. It is so evidently a social, public function! Suppose government had taken that function upon itself from the start, how backward we should have judged any people who had adopted our present system! Here again the British Government has advanced beyond us on the road of progress, for every one of her postoffices, which is doing a savings bank business, also issues policies of life-insurance and sells annuities. These life-insurance policies can be obtained for amounts of from \$25 to \$100.

And she is very seriously contemplating to take hold of marine insurance in certain contingencies. We know that Great Britain is absolutely dependent on the outside world for bread-stuffs, meat-stuffs, and raw materials for her factories. She dares not suffer any interruption in getting these supplies during war times. She knows from experience, that, were her people to be left to the mercy of the private underwriter, food would become so costly that the poor would starve and all her factories would be closed. During the Napoleonic wars the rates of marine insurance rose to eight and twelve per cent for vessels under convoy, and to twenty per cent for unprotected vessels.

## THE NEW ECONOMY

Hence, Admiral Sir George Tryon proposes the transfer of marine insurance in war times from private individuals to the state, and the proposition is likely to be adopted.

But Germany is the country that has proceeded much the further in the direction of state-insurance—though undoubtedly it has been done for the purpose of heading off socialism, which is such a danger in that empire. Prof. Charles Gide says of it, that “Germany has entered on the most imposing and daring experiment in state socialism which mankind yet has ventured to attempt: by three laws of 1883, 1886 and 1889 it has instituted obligatory insurance of workingmen against sickness, against accidents and against old age, and the premiums are paid partly by the workmen, partly by the employer and partly by the state. This certainly is an experiment for the benefit of other nations.”

## CHAPTER XIV

### NATIONAL CONTROL OF FARES AND FREIGHT-RATES

"I do not think, that a free people can safely commit the power of taxation to irresponsible associations of their own citizens."

—*Washington Gladden.*

"It is never profitable to legislate in restraint of natural economic forces."

—*Mr. Knapp, Inter-state Commerce Commissioner.*

National Railways—what a blessing they will be to our people! But such a measure cannot at present be seriously thought of as an issue in practical politics; it at least is not on the same plane as the other measures, advocated in this volume. In this chapter we shall discuss another proposition, which is on the same plane, and further is a direct, preparatory step to the nationalization of our railroads. Let us, however, first inquire in what ways such nationalization would benefit our people.

Think of going from New York to San Francisco for a five-dollar bill! Does it sound too much like a tale from the Arabian Nights? Yet, the German railway management sells in Berlin annual tickets, good for a five-mile ride out of and back into the city, as many times a day as one pleases and on any one of the trains, for \$4.50; that makes 3,650 miles for less than

## THE NEW ECONOMY

a five-dollar bill, if one goes out and in once a day, and over 7,000 miles, if twice a day. The celebrated "zone-system" of Hungary means that this kingdom is divided into fourteen "zones," or districts, from the capital as a center, with the same, exceedingly cheap, fares and freight-charges for each zone—a system that has remarkably stimulated the sluggish Hungarian people to travel, and which, moreover, with still cheaper workingmen's fares, allows the mobilization of labor all over the country with the greatest ease.

No one who has studied this subject of fares and freight-rates on the European railroads, and especially in this zone-system, can doubt, that if our national government would go to work and duplicate the present railway system of our country, particularly if it would strike out all strictly unnecessary lines, it could cheapen transportation immensely; thereby wonderfully increasing the pleasures of life and stimulating the intelligence and culture of our people, besides adding facilities and comforts in railway travel of which we now know nothing. It is the policy of the present railway managers to narrow the margin on freights, while making heavy profits on the passenger-traffic—a policy surely diametrically opposed to the interests of the people. It costs a workingman what to him is a fortune to take himself and family from the Pacific coast to the Atlantic for a pleasure trip, and even for him

## NATIONAL CONTROL OF FARES

to go from New England to Florida. With national railways our people would at last become acquainted with the beauties and grandeur of their own country.

And there is another matter, which, if it could but once be made an issue in our politics, if it could only be brought home to the consciousness of our people, by itself very likely would make them sharply demand, that an end be speedily put to the present individualistic railway management, and that is the annual slaughter and maiming on our railroads, particularly of the trainmen. There is absolutely no parallel to it on any other railways in the world. Here are facts, taken from the reports of the Inter-State Commerce commission: during the year 1889 all our railroads employed about 705,000 men; of these employés there were during that year 1,972 killed outright in the course of their employment and 20,028 were more or less injured. That is to say, that one death occurred for every 357, and one injury for every 35 men employed. But if we take the trainmen, that is the engineers, firemen, conductors, brakemen and switchmen, one death occurred for every 117 and one injury actually for every 12 men employed.

Again, during the year 1891 there were in all employed over 784,000 men; of these during that year 2,660 were killed outright and 26,140 were injured. If as before we take the trainmen by themselves we find, that among them

## THE NEW ECONOMY

one out of every 110 suffered a horrible death and one out of every ten sustained a grievous maiming. It is a startling fact, that the railway train service in our country is more dangerous to life than the field of battle, where the casualties are only one to 108. The causes of these railway "casualties" are almost exclusively either the coupling and uncoupling of cars, or falling from trains and engines, or, finally, collisions. Of the first two of these causes the commission observes: "The fact that railways are making practically no progress in the equipment of their cars and engines with uniform safety-devices seems with clearness to indicate the duty of Congress in the matter," and as to collisions they say: "At present a very small proportion of the railway system of the United States is operated on the block system, and there is the greatest diversity in the rules governing the handling of trains." Thus from preventable causes one in ten of these miserable trainmen of ours must annually suffer dreadful harm—and mark!—each and every year! All of them thus steadily look death in the face! With national railways these annual holocausts would become an impossibility.

And, thirdly, we come to an evil against which every class of our people have for years been up in arms, and which national railways will do away with, and that is discrimination—or rather unjust discrimination. It is important

## NATIONAL CONTROL OF FARES

to mark this qualification "unjust," for there actually is a discrimination that especially under present circumstances is perfectly just and proper. It will be readily seen that the rate per mile for hauling a ton necessarily is materially greater for a short haul than for a long haul, for the simple reason that every shipment requires station-work, and the expenses both at the forwarding and the receiving station are the same, whether a ton is to be hauled ten miles or five hundred miles.

We have two kind of unjust discriminations: between localities, and between individuals; the former consists in making the rate for hauling a ton of freight four hundred miles, say, one-third of the rate for hauling it two hundred miles over the same railroad; the latter consists in the traffic-manager making one butcher or one firm of grocers pay a higher rate for the same service than another butcher or another grocer in the same place. The just discrimination of which we spoke, of course, applies only to that between localities.

Now, it is no wonder that our people have been up in arms against the unjust discrimination of both kinds, for thousands upon thousands of existences have been destroyed by it, while a favored few have become enormously rich, since naturally it is the largest shippers who get the lowest rates. More than that: entire large districts, with thousands of towns and villages, as the census reports of 1880 and

## THE NEW ECONOMY

1890 sufficiently prove, by it have been thoroughly prostrated in favor of such cities as St. Paul, Omaha, Kansas City and San Francisco.

Now, as already said, nationalization of our railroads will completely remedy these three evils: it will give us cheap transportation, and thereby make the railroads an agent of civilization to a much greater extent than they as yet have been, simply by immensely facilitating the personal intercourse of our people; it will forever make impossible the sickening butchery and piteous maiming of the railway servants; and lastly it will abolish all discrimination except the just kind which the difference in locations necessitates, if the service is to be self-supporting, as of course it must be. And it will abolish other evils: we shall hear no more of these civil wars, called "railroad strikes," which do such a fearful amount of mischief to everybody concerned, and to very many people not at all concerned; nor of the disgraceful and wicked gambling in railway securities and fleecing of the unwary by stock-exchanges by cutting the rates; nor of the fearful corruption of state legislatures by powerful railway corporations who, in the words of Professor Bryce, "can offer bribes at which ordinary virtue grows pale."

And there are other arguments in favor of national railways. Thus Prof. William Graham admits that "railroading is a kind of work peculiarly suitable for government manage-

## NATIONAL CONTROL OF FARES

ment, being largely of a uniform and routine character; not demanding the complicated calculations and resources required by the manufacturing industries, and for which work the government could secure as capable managers as any private companies." Professor Graham, indeed, goes on to say: "There would be abler persons filling higher appointments than at present, because the ability of a wider area would be drawn upon"—for the popular notion, that our present railroad managers are remarkably intelligent persons is nothing but a ludicrous superstition.

But for various reasons—because it is seen to be a seven-mile stride in the direction of Collectivism, and because of the considerable financial operations it involves—nationalization of railroads is at present impracticable. Congress, however, has opened the door to the path that leads to it in the Inter-State Commerce act that went into operation in 1887—just the same kind of door we wish to have opened by a Postal Telegraph act and a Postal Savings Bank act. This Inter-State Commerce act is a virtual failure, first because the machinery which it provides for its enforcement is wholly insignificant, compared with its herculean task, and, next, because it preserves competition—aye! does more, it enforces competition. In other words, it opposes the natural law that has brought the trusts into existence, and is thus another proof of the folly of combating trusts.

## THE NEW ECONOMY

And here we may observe, that the unjust discrimination, of which we spoke—the practice of which has been a cause of complaints by our people against the railroads far more than exorbitant rates—are really much less the fault of railroad managers than the fault of this competitive system which they are told by the law to work under. The railroads as a matter of self-preservation are compelled to underbid each other by way of rebates, and without doing this the present railway system could not be worked. Rebates are given where there is competition from other railroads—hence discrimination between persons; at the places where there is no competition, the original rates are maintained—hence discrimination between localities. Listen to what Mr. Knapp, one of the Inter-State commissioners, observes: “The power to compete is the power to discriminate; it is simply out of the question to have at once the absence of discrimination and the presence of competition,” and he goes on to say, “The existing law presents this singular anomaly that it seeks to enforce competition by statute and at the same time punishes the acts and the inducements by which competition is effected.”

No wonder the Inter-State Commerce law is a failure, since it is both self-contradictory and made to war against a natural force. And the Inter-State commissioners are clear-sighted enough to recognize this latter fact, for they

## NATIONAL CONTROL OF FARES

say in their Ninth Annual Report: "Those who have given most reflection to the subject of government regulation, anticipate that the evolution of railroad control by public agencies will sooner or later result in a more comprehensive and direct exercise of the power, possessed by Congress, to regulate our internal commerce," and Mr. Knapp adds: "It is never profitable to legislate in restraint of natural economic forces, but best results have accrued when statesmen have recognized the tendencies of these forces and sought to make their operation useful to society."

That is to say, Congress will have to go further on the road which they already have entered upon. They must exercise the power they possess in a more comprehensive and direct, and it may be added, in a much more effective manner than hitherto. And here we have come to the measure that will be recommended here—to-wit: that Congress shall through a committee establish schedules of fares and freight-rates on all the railroads of the country, and cause them to be enforced, just as it now through a committee establishes schedules of duties on imports, and causes them to be enforced.

This is the proposition made by A. B. Stickney, a lawyer and a railway manager with twenty years' experience, and discussed in his book, *The Railway Problem*. The measure was submitted to the senate committee that later

## THE NEW ECONOMY

on framed the Inter-State Commerce bill, and was by them disposed of in the following words: "It is obviously impracticable for Congress to resolve itself into a railroad freight-office and undertake to establish schedules for the hundreds of inter-state lines in the United States. Those who have asked the adoption of this plan of regulation have suggested the establishing of rates by a commission, but it is questionable whether a commission could successfully perform a work of such magnitude, involving as it would infinite labor and investigation, exact knowledge as to thousands of details and the adjustment of a vast variety of conflicting interests."

Observe, however, this, that what that senate committee declared to be so "questionable" for a commission and "impracticable" for Congress has repeatedly been found to be very feasible, for it is nothing in the world else but what the committee of Ways and Means of the House has done whenever a tariff law has been framed. A tariff act requires as much "exact knowledge of details" and is also an "adjustment of conflicting interests," but this knowledge is given them by expert witnesses who testify before the committee; and in the same way a railway-schedule committee could get all the knowledge it would require.

The important point that is constantly being overlooked is the legal position of our railways in our form of government. As Redfield on

## NATIONAL CONTROL OF FARES

Railways, an authority on the subject, states it: "The furnishing of means of communication between different parts of the state is a prerogative right, vested in the sovereign, and one which no subject without special leave of the state can exercise." That is to say: the revenues, collected by railway companies, are not at all in the nature of payments for services rendered, but in the nature of a tax, levied and collected by exercise of the sovereignty of the state by and under its permission and license. There can be no doubt that it is the duty, the function and the prerogative of the state to build all the highways within its jurisdiction, including the railways. As to the latter, however, our American states voluntarily contracted with private corporations to undertake their construction and operation, thinking undoubtedly at the time that this was the better and wiser course.

But our states have certainly been grossly improvident in their legislation upon this subject; their general incorporation laws have been an open power of attorney for any persons who might choose to become their agents and trustees to perform this important function, this prerogative of sovereignty; hence we see this almost grotesque spectacle, that these trustees of the state frantically compete with each other. Think only for a moment seriously of the situation of agents of the state competing with each other! Nevertheless, our rail-

## THE NEW ECONOMY

road companies are in fact holding a public office, are practically a great department of the government itself, analogous to what the French farmers of the revenue were under the *Ancient Régime*. That is to say, the fares and freights, paid to the railroad companies, are taxes, called "tolls," just as the revenues collected at the custom-houses are taxes, called "duties." Thus the tolls are analogous to duties: the latter are levied upon imports to defray the expenses of the government, the former on merchandise and passengers to defray the expenses of the railroads.

But now mark the difference: the schedule of the rates of duties is established by Congress with great deliberation and in public, while the schedules of rates of toll of the different railroad systems are fixed in secret, usually by the will of one man for each system, without any public investigation or discussion whatsoever. And yet the amount of duties annually collected for the support of the government is only two hundred millions of dollars, while tolls annually collected for the support of the railroads amounted in 1890 to over one thousand million dollars. Moreover, the schedule of duties is changed comparatively rarely, while that of tolls seldom remains in force for thirty days in succession; and since both the duties as a rule and the tolls always are added to the cost of the imports and merchandise transported, respectively, values are much dis-

## NATIONAL CONTROL OF FARES

turbed in the latter and but little in the former case.

Well, then, we now assert that if Congress will but have courage enough to establish schedules of specific rates of fares and freights—and not maximum and minimum rates—and further create a specific authority and give it power to enforce such schedules, it will completely cure what most people consider the worst part of the present disease—to-wit: the unjust discrimination. It is, as we declared, competition that produces discrimination, and it is competition that must be abolished.

In this matter it is cowardice that has been the bane of our legislators, both state and national. They all of them have seen a host of officials and clerks in every railroad office engaged in the task of making rates and that evidently awed them, not knowing that in the words of Stickney, "most of that host are engaged in devising means secretly to avoid the published rates, so as to scoop the business as against competitive lines." And thus they all recoiled from the task as being "impracticable because difficult."

Now let us see how Congress can manage to determine proper specific rates of fares and freights. The way to do it is virtually the same as that in which rates of duties are now established. The departments of the government have to defray certain interest charges which are fixed and hence can be definitely

## THE NEW ECONOMY

ascertained, and certain administrative expenses the amount of which can only be approximated in advance, and for that purpose depend mainly upon the income which the government derives from duties. These are to all intents and purposes agreed upon and established by the committee of Ways and Means of the House of Representatives, for whom the important question to solve is: how to arrange the rates so as to produce the aggregate income, necessary to meet these charges and expenses and at the same time observe the uniformity required by the constitution and pay due regard to the demands of public policy. We know that the various Ways and Means committees that have had to frame tariff laws as a matter of fact have succeeded tolerably well in solving these questions.

Well, now, we have here that other department of the government, consisting of our railroad management, which altogether relies upon its income from fares and freights in order to defray its certain fixed interest-charges, which also can be definitely ascertained, and the operating expenses, the amount of which, as in the former case, can only be approximated in advance. To be sure, the railroad committee, which we suppose appointed, will have a very important and delicate task on hand when they inquire into the interest charges, in settling the aggregate amount of stocks and bonds of the different railroad companies. Many per-

## NATIONAL CONTROL OF FARES

sons suppose that there is a great deal of "watered stocks," and it is clear that all fraudulent stocks and bonds should be thrown out—especially in view of the future determination of the nation to assume the ownership—but the amount of downright fraud may be found less than outsiders suppose.

Of course, in this case the question is not: what can the road now be duplicated for? but what was the actual cost of each road to the company that constructed it? In other respects all the principles of the construction of a schedule of duties apply equally to the construction of a schedule of tolls, and when made by one authority, it will not be so difficult as it appeared to the senate committee; furthermore, it may then become as permanent as some of our tariff laws have been, subject to change only in process of years. Stickney proposes that these specific tolls consist, first, of terminal charges, uniform throughout the country, and a rate per ton per mile for haul, based upon the constructive mileage of the straight line between all stations, and varying as to certain grand divisions of territory.

One important question remains: how can these different rates be so promulgated that every citizen can easily ascertain them? Stickney, again, has a happy solution for this query; he says, "with a good map of the whole country, drawn to a scale, and a graduated rule, made to this same scale and with the standard

## THE NEW ECONOMY

average rate, marked for each ten miles," anyone has only to apply the rule to the map and measure the distance between two stations, in order to see at a glance what is the legal rate. Different scales are provided for the different grand divisions of territory.

But, of course, it is useless to make laws, even the very best ones, without providing some suitable instrumentality to enforce them. It should never be forgotten that the revenues of the railways amounted in 1890 to one thousand million dollars annually; that is to say, that they are two and one-half times the total annual income of our national government; that each citizen of our country contributed his share to these revenues, and, lastly, that these enormous sums are now under the control of several hundred petty, practically independent, sovereigns. Is it not evident that if we are to have laws that shall really regulate and control such a vast business, their execution should be placed under the direct control of the executive department of our government? Clearly there should be a Railroad Department, and its chief should have the dignity of being a cabinet officer. More than that: if at any time this chief executive becomes convinced that any railroad manager is persistently disobeying and defying the law, he should have the power to take possession of the property and manage it through a receiver till he is assured that the law thereafter will be obeyed.

## NATIONAL CONTROL OF FARES

We have already a precedent for such legislation in the National Banking act. Under that law the Comptroller of the Currency, "on becoming satisfied," that any one of the national banks violates the law, almost in any way, has the power to appoint a receiver, "who shall take possession of the books, records and assets of every description" of such bank. Some such drastic remedy must evidently be provided, for unjust discrimination may still be carried on by railroad officials, in spite of the official schedules here mentioned; that is, they may charge favorites with less than the legal rates by such subterfuges as will not leave a scintilla of evidence behind them. This simply shows that, as we have known for a long time, the law has in railroads encountered a new power too strong for all ordinary remedies.

But as our Federal courts of equity did not hesitate in an emergency to invent a new remedy and apply its power of injunction to unheard-of uses against poor workingmen, so it is to be hoped, that Congress will be equally courageous, when it clearly has become urgent to curb the power of agents and trustees who have become too puissant for the public welfare. The "states," surely, are too weak sovereigns for such powerful vassals. Moreover, it is in the "states" that these vassals especially succeed with their corruption funds.



## CHAPTER XV

### THE DEPARTMENT OF AGRICULTURE AND OUR FARMERS

"As organized, the Department of Agriculture offers opulent opportunities for the exercise of the most pronounced paternalism."(!)

—*Secretary Morton.*

Our farmers—they have shown themselves quite a progressive class! Contrast with them the classes in Europe that correspond to them—to-wit: the "peasants" of the continent and the agricultural laborers of England, and mark the difference. Why, the latter are the most backward classes of their respective countries, a very drag on the wheel of progress, and the despair of all advanced reformers!

It must be admitted that it is the agitation of the greenbackers and free silverites, which on first view seems purely mischievous, that has had this *unique* but beneficial result of having profoundly stirred up our farming-class, as perhaps nothing else could have done; exactly as Marx's doctrine of surplus value stirred up the wage-earners of Europe—in both cases a curious instance of how mistaken ideas can serve salutary ends. For certain it is that greenbackism and free silver have filled our farmers with a grim, almost divine hatred

## THE NEW ECONOMY

of plutocracy, though they make the mistake of locating it principally in Wall street.

We know how almost fiercely during the terrible hard times they lately have experienced our farmers have been seeking new solutions for their troubles. It is surely a merit in them, that they have found the oft-repeated solutions of the old parties to be mere quackeries. One of their own new solutions was the so-called "sub-treasury" scheme, which by the way, we believe, they have by no means yet entirely given up. It is practically a plan to make our national government into a great pawnbrokers' establishment. That is to say, they want the government to build a warehouse in every county, throughout the country, in which they can deposit their wheat, corn, cotton and other staples, and on which the government shall lend them sums of money up to a certain percentage of the value of the products, deposited. This scheme of theirs undoubtedly is a perfectly wild one—a *cul-de-sac*, *i.e.* "a blind alley"—simply because the government has not got the money to lend them. But they would reply to this objection: "What! cannot our government make money?" and this reply, of course, reveals their mental unsoundness; it shows that they are first greenbackers and next silverites. They want the government to buy silver as cheaply as possible and make it into dollars in order to lend these to them, and later on to make it

## THE DEPARTMENT OF AGRICULTURE

print millions of irredeemable paper money for the same purpose. Now, we have seen, that this plan will not work at all.

Yet, we affirm, that this "sub-treasury plan" of theirs is after all in the right direction; they are perfectly right in asking that the government shall do something for them, the farmers, in particular. To be sure, a measure in their behalf would be a class-measure. But what of that! The farmers surely are a class, big enough and important enough—almost half of our population—to do something special for. We hold that as the trusts practice socialism for their individual benefit, as government even now practices socialism in its protective tariff mainly for the benefit of the manufacturing interests, so the same government shall practice some socialism for their benefit—in that respect we then say, they were and are perfectly right. [And the remedy we are especially going to advocate in this chapter is precisely in that direction. They further are perfectly right in claiming that government is the party that shall lend money to them, shall establish loan-offices for their benefit, as we have seen in a previous chapter, but this it cannot do until Postal Savings Banks have been created.

But before we pass over to the discussion of what seems at present the very best remedy for the farmers, there is one proposition that will not suit them at all, and that is the Single

## THE NEW ECONOMY

Tax of Henry George. This may, indeed, be said to be the main point where the Collectivists and the Single Taxers disagree. These have but one remedy: that of practically confiscating all the land-values throughout our country. We Collectivists, indeed, already differ considerably from them in deeming it highly unjust to deprive one class of their property without compensation, and leave the other property-owners in peaceable possession, and say that such a plan has not the remotest chance of success; simply because it would shock the moral sense of the people. But after all our greatest variance with them arises from the fact that they make no distinction between real estate in cities and agricultural land. Instead of starting the coming great change with the land of the farmer, we say it will precisely be likely to be the last subject to be touched by the wand of Collectivism—its turn perhaps may not come, for what we know, till long after the first conscious steps have been taken toward the Collectivist *régime*.

There is one thing, by the way, that should be very encouraging to our small farmer, and that is, that he evidently has nothing now to fear from the direct competition of large syndicates of capitalists. This writer takes great pleasure in acknowledging that he was mistaken when a score of years ago he wrote in his book, *The Coöperative Commonwealth*: "There is no doubt that the bonanza-farms will in the near future

## THE DEPARTMENT OF AGRICULTURE

greatly increase in numbers." That, to be sure, was the natural conclusion to draw from the census reports of 1880, and from all other accounts at the time in regard to these huge domains in all the newer parts of our country. But the census report of 1890 showed that some years previously they must have received some decided check, and by this time we have found out in what that check consists.

We know now that these very large farms yield during the first years a considerable greater net production than the small farms—that is to say, a larger income per acre—but at the same time a much smaller gross production; that is, each acre of these large estates gives a much smaller number of bushels of wheat than each acre of the small farms. This is easy enough to explain: it is because the former are less carefully cultivated, since this has necessarily to be performed by hired labor, which cannot be very well overlooked, and its results are not perceptible till some time afterward. However, each bushel of wheat is on these bonanza-farms produced at such a very small cost, that is, during the first few years, while the land is yet virgin soil, that it leaves quite an income per acre. But experience has shown that after a few harvests this so-called "extensive" cultivation—superficial tillage on a large scale—in spite of its many evident advantages, becomes decidedly unprofitable, so that it never in the long run can compete with "in-

## THE NEW ECONOMY

tensive" cultivation on small farms. While this fact, as already said, should furnish encouragement to the small farmer, it should furnish him at the same time with the valuable lesson not to tie himself to more land than he is able very carefully to cultivate. For the future evidently belongs to "intensive" tillage, which is carried to its highest point in kitchen-gardening in the surroundings of large cities. In view of the growing density of population for some time to come, not alone in our country, but in all modern societies, it seems that the most profitable agriculture will approximate horticulture; that the farmer will have to study and practice those modes of cultivation that will enable him to draw from the soil the greatest amount of nourishment, and in this respect despised China, which, however, by her methods is capable of feeding her over-crowding population, may even afford some instruction.

In other words, our country will very likely in a not remote future be covered with gardens, from which the food will come for the teeming multitudes of our manufacturing cities—again inculcating that other lesson, several times told, that agriculture has ceased to be the basic industry and has become the handmaid of manufactures. And now observe, further, that as the bonanza-farms implied coöperation, mainly of capital, so intensive cultivation will also imply coöperation, but mainly of labor, as

## THE DEPARTMENT OF AGRICULTURE

Prof. Charles Gide, the French economist, often quoted, says: "It is possible in agriculture to arrive at a division of labor where each man or each group of men will devote himself or themselves to the cultivation of a definite plant, and it is very probable that this is precisely what will happen." Yet it must not be forgotten that intensive culture also requires capital for artificial and other fertilizers, for machinery and seeds.

Here we come to the chief difficulty with our American farmer: he is woefully lacking in the spirit of coöperation; his energy is diffused instead of concentrated; he has not mastered the problem of combined action, as precisely the manufacturers in the cities long ago did. Under the isolated system of farming, which hitherto he has been practicing, he is obliged to invest in much machinery and other agricultural appliances, for which he himself has only a very limited use, but which might be utilized by a whole community and thereby produce far greater results. Now, let us again repeat what we said, that the prosperity of American agriculture in the future depends on how far our farmers will learn to accommodate themselves to the intense cultivation of their fields; and that however "intense" cultivation becomes, it will always yield far greater results, the more capital and labor is concentrated, and the further division of labor is carried. If thus a number of farmers could be induced to work

## THE NEW ECONOMY

together, what a subdivision of labor and specialization of industries could take place, and what great gains they could make in the savings both of expenditures and of toil of their own and of their wives, and what enlargement of their products!

Let us simply suppose a tract five miles square; let us further suppose that one hundred families—say the inhabitants of a township—could be induced to build a village in the midst of such a tract—think for a moment how that alone would revolutionize our present farming life! One wind-mill would raise water enough for one hundred families, and save the expense of ninety-nine mills and the slavish labor of one hundred women. There would be a village laundry, a village bakery, and a village butcher, while now fresh meat is a rarity on a common American farm, because butchering is exceedingly expensive and also very disagreeable. There would further be a village grocery, and that would be a great thing, since then coffee, tea and sugar would no longer be luxuries, that at present often must not be thought of. There would also be a village dairy, where the farmers' wives would send their milk and get butter in return at cost price.

And, let us go further, let us suppose that they would be made to coöperate together in cultivating their fields, or simply in dividing themselves up into groups for that purpose; then the result would be for certain, that where

## THE DEPARTMENT OF AGRICULTURE

now each man's farm will scarcely support him, it will become a most profitable investment. And then there is another important respect in which such village life is sure to show a great and beneficent influence, and that is in regard to the country roads, which now can be called nothing else than villainous. We have already under state productive work spoken of them, and seen how they contribute more than any other single element to making farming a most miserable life as well as an unprofitable business. What is now called "working the roads" is almost a standing joke among farmers; the days that are devoted to that important task are universally days of idle lounging and mere pretense of work. But suppose we had in various parts of our country a number of such villages and patterns of such village life, as here contemplated; is it not natural to assume that the men would coöperate in improving the roads from the village to the surrounding farms and to the neighboring villages, and thus give an impetus to decent road-making in the whole neighborhood? The precious intellectual, social and moral improvement that would ensue and bless a large circle of communities we need here but suggest.

And now we have reached the main object of this chapter, which is to show how the national government can help our farmers, and that very materially. It will be a splendid practical illustration of Socialism, or Collect-

## THE NEW ECONOMY

ivism, for the benefit of our agricultural interests, and it will speedily lead our Government to the standpoint of the English premier, Lord Salisbury, who lately declared: "Socialism is no longer an objection to progress, gentlemen!" The proposal is simply to make the Department of Agriculture a real organ and servant of our farmers, as the present "Department of Statistics of Labor" is proposed to be converted into a real "Department of Labor."

It is in itself a splendid progressive step, that a Department of Agriculture has already been created under Republican auspices; still better that a Democratic secretary was led to give it the testimony—a very flattering one, we should say, as coming from him—that "it is so organized that it offers opulent opportunities for the exercise of the most pronounced paternalism." But then these opportunities surely have not been utilized as far as they might be. Its late Republican head, Mr. Rusk, said of it with great pride, that it was "instinct with science"; what it yet lacks is to be instinct with practical leadership.

What the Department now does, as far as practical matters are concerned, is to send round its agents to all sorts of agricultural meetings, conventions and exhibitions, to be simply their reporter and listen to their suggestions. This is far from enough. What is needed is that the Department become the leader of our

## THE DEPARTMENT OF AGRICULTURE

farmers, their helper, their friend-in-need—their organ. We have seen how necessary it is, that our farmers learn to coöperate. Well, that is the first way in which the Department of Agriculture should come to their assistance. It should be precisely its functions to induce them to coöperate. The chief of the Department and his assistants should start model villages and show the farmers their superiority over the present farm-life by ocular demonstration. They should take the initiative at all agricultural gatherings. Our farmers must be awakened from their present indifference and dullness: the Department of Agriculture must awaken them.

But even this is not enough. We have another suggestion which our farmers, when they come to understand it, probably will pronounce the most important and practical of all; and by acting upon which the Department of Agriculture will surely demonstrate its greatest practical usefulness.

Even if our farmers should need considerable time before they can be convinced of the beauty and profitableness in cultivating their farms in common, and induced to work on that principle, it ought not to take such a very long time to prove to them the material advantages of coming together and forming what we may call an “agricultural Trades-Union.” Evidently such a Trades-union of all the farmers in a township would be able to accomplish much

## THE NEW ECONOMY

more than a like union of mechanics in a city, simply because the former possess their own means of production, and the latter do not.

In that respect they should study the recent history of what their French brethren have been doing, for they can learn a valuable lesson from them. The French farmers were not allowed by law to form unions up to the year 1884. Then by the merest inadvertence a law was passed that allowed them to do it, and they speedily took advantage of it. Now there are in France 1,500 agricultural societies, of which some have a membership of 8,000 to 10,000 farmers. These now buy and rent machinery in common; they buy in common and of course at wholesale, plants, seeds and fertilizers—and in this latter respect they have already done a real service to French agriculture by generally introducing artificial chemical fertilizers, which up to that time had been subject to villainous adulteration, and hence eschewed. They make experiments with different plants and seeds in common; they purchase breeding-stock of pure pedigree for common use; they produce butter and cheese in common; they sell their products in common; and what perhaps is most important of all, they borrow capital as a union; just now a law has been passed for their benefit to enable them to start mutual credit banks. Now when you learn that French peasants have such a reputation for being quarrelsome, that a prov-

## THE DEPARTMENT OF AGRICULTURE

erb says about them: "He who owns a piece of land owns a law-suit," you surely will conclude that if such things can be accomplished by these people, they unquestionably can be done by American farmers.

And now comes the suggestion which we think the most practical of all: Why should not the national Department be the agency that should in the first place enlighten our farmers and incite them to form such Agricultural Unions and afterward guide and superintend them, just as we proposed, that the reformed Department of Labor should superintend the Trades-Unions of artisans and workingmen in the cities? Nay, why should it not become their organ for buying them the machinery, the fertilizers, the seeds, the breeding animals which they may need? Why not go further, and make the Department of Agriculture their organ for selling their surplus products for them? In making this recommendation—observe well!—it is not the intention (as it previously was not when speaking about workingmen) to make the Department, or the government, the agent of the farmers. The Department and the government represent the whole nation, and not any class.

Now, we have corn-exchanges, produce-exchanges, cotton-exchanges; we know that they are mainly gambling hells, yet they undoubtedly do perform some useful, legitimate functions, or they would hardly have arisen;

## THE NEW ECONOMY

why not devolve on the Department of Agriculture these legitimate functions? That would be the most effective way of superseding these exchanges and abolishing all purely speculative sales of "futures." To be sure, this would be an open breach with competition and individualism, but our farmers are fortunately pretty well prepared for it; on which fact, indeed, our hope is founded, that our country will be the leader in the great change that we believe will be ushered in during the twentieth century.

It is rather remarkable that the Canadian Department of Agriculture in these respects is a model which our own Department might well at starting imitate. In order to help the Canadian farmers to obtain a foremost place in the British markets for butter, meats, fruits and poultry, the Canadian Minister of Agriculture has arranged to provide what is practically a chain of cold storage service from the producers to the ports of Great Britain. The government subsidizes steamships to the extent of paying one-half of the initial cost—about \$10,000 per steamer—of providing the best of modern duplex refrigerating machines and insulated compartments. Then, in order that the products, intended for the cold-storage chambers on the steamships, may start in the best possible condition, the government has further subsidized cold-storage buildings at the ports of export for three years, until the trade is sufficiently well established to be sustained

## THE DEPARTMENT OF AGRICULTURE

entirely by charges on the products. Lastly, the government offers a bonus of \$100 to the owner of every creamery who provides a suitable cold-storage room at his creamery, payment to be made only on condition that the cold-storage room is used and kept at a satisfactory temperature.

The Minister of Agriculture of Canada further has arranged with the railway companies to give a regular weekly refrigerator-car service on seventeen routes of railways running into Montreal, and on railways running into certain other ports. He has engaged men to work in Great Britain as agents for the department to canvass for customers for Canadian products, to learn all they can about the needs and preferences of the British markets and to furnish information to the Canadian producers how to suit these markets and needs.

The Dominion government also has undertaken to establish coöperative creameries in outlying districts of the country. During the current year sixteen fully-equipped creameries, and as many more tributary cream-collecting stations are under the management of the government, which for a charge of two pence per pound manufactures and markets the butter for the new settlers. The net proceeds from the sales are paid to the farmers in proportion to the quantity of butter, made from the milk or cream which they severally supply.

But this suggestion, that the Department of

## THE NEW ECONOMY

Agriculture should be the organ for selling the surplus products of our farmers gives rise to yet another thought. We all know how bitterly the whole farming-class of late, and up to a very short time ago, complained of the painfully low prices for wheat and for all their other agricultural staples—a complaint that only has been allayed by the fact that the misfortune of bad harvests has overtaken other countries. Now we know perfectly well the reason for, say, the low prices of wheat that recently have obtained: it is that we year after year raise so much wheat, that we after each harvest have a surplus, that must be disposed of to foreigners. Of these the British people are our principal customers for this surplus. But the price of this surplus is fixed in London, in competition with the cheap labor of Russia and of India, whenever these countries have good harvests.

Now it is a well-known economic argument, that though this surplus forms but a fraction—say one-eighth—of our whole crop, yet the price which this surplus fetches determines actually the price of every bushel of wheat that is raised, including that sold and consumed in our own country. The remedy then clearly is to do away with or at least lessen this surplus, and the surplus of every product that threatens not to bring living prices. This remedy seems clearly to lie in the hands, and to be under the control, of our producers

## THE DEPARTMENT OF AGRICULTURE

themselves; they evidently only need properly to regulate production. This, of course, requires conference and agreement; but we should certainly have supposed that our large farmer-organizations would years ago have taken up this matter in earnest and seen to it that each part of our country would, during the ensuing year, have diminished its acreage of wheat and substituted some other plant for that cereal.

But no, for some reason this has not been done; perhaps they have not authority to make their brethren comply—if they ever thought of it. Here is another excellent opportunity for the Department of Agriculture to exercise its influence and bring our agriculturists together for efficient action.

But again and lastly, this should remind our farmers that manufactures now is our basic industry, and that it is our manufacturing population on which they mainly must rely. When that population is fully employed, that is, when we have "good times," so-called, we consume 5.66 bushels of wheat *per capita*, while during hard times we dispose of considerable less than four bushels yearly, which makes an annual difference of more than one hundred millions of bushels of wheat. This furnishes quite an object-lesson.

Professor Gilman in his book, *Socialism and the American Spirit*, has, evidently in a

## THE NEW ECONOMY

facetious temper, kindly admitted that "consideration might be possible if a program were elaborated, consisting of a number of successive steps, each being in itself not difficult to take."

That is the task we set ourselves and which we now have finished—for the remaining twelfth measure, to-wit: "the New Education," is clearly one that stands entirely by itself. We have satisfied Mr. Gilman in another matter: "The peculiar note of Collectivism" is wholly absent from these measures: they are not at all collectivistic but perfectly compatible with a competitive *régime*; there is a good deal more collectivism in any one of our trusts than in them.

But something must be done to soften the threatening social problem. These measures will accomplish this, by doing a great deal toward giving to our people security, independence and equal opportunities—that is, toward making them free. If in addition they will satisfy the American passion for experiments, so much the better. But let us always bear in mind that in our social relations there are no real experiments—it is the riddle of the Sphinx that must be solved.

We hope to God, that the desire for colonial expansion which the war with Spain has generated will not shut the eyes of our people to this "riddle of the Sphinx." For, be sure, it will have to be solved!

All socialist bodies hitherto have been highly

## THE DEPARTMENT OF AGRICULTURE

inefficient, first, because they have been poor; secondly, because they have had no sound, provisional program. This volume is an appeal, among others, to the well-to-do, and does present a sound program for the times.

The greatest merit of these measures is, that they are "right," that they will lead our people onward on the road to the goal which the world-spirit has set for us. This writer takes issue with the words of Professor Graham's, already quoted: "If the people do not want to go any further they need not do so." We have to go on; we must somehow and sometime reach the goal; there is absolutely no help for it. But if these measures are taken, then we can pause until a decided majority of the intelligent part of the American people are ready to take the final steps. Even Mr. Gilman admits that "every consideration of reason leads the American to expect a steady enlargement of the sphere and functions of the state."

Because our goal is predestined, it is futile to argue as Henry George does, not very successfully, in the volume, published after his death, that Collectivism is unworkable. The spirit of Democracy moves us along, and if we should meet with impracticabilities and impossibilities —why, that would be the end of Democracy! But that would also be the end of progress; our civilization would then begin to retrograde.



## CHAPTER XVI

### THE NEW EDUCATION

"It is Youth alone that can mould our remedial Future."

*—Disraeli's Sybil.*

"The simplest of all ways of making a new Heaven and a new Earth is through a fond, discerning and individual care for each child."

*—Prof. N. S. Shaler.*

This, the last chapter, is decidedly the most important one in the whole book. As already said, it stands aloof from the other chapters. The campaign of 1896, frankly speaking, disillusioned this writer. We now know, that our people are not ripe enough to conduct a collectivist republic. It is education that must ripen them. Even if all the previous measures are inaugurated, there must be a pause long enough to allow a whole generation of all our boys to be properly trained up, before our constitution is changed in a collectivist sense.

To be sure, such a wholesale education is costly. May, then, especially at the start, our well-to-do fellow-citizens help with all their vast means, and listen to this admirable admonition of our Professor Gilman, that "the one power to which the rich will not offer successful resistance is the widening and deepen-

## THE NEW ECONOMY

ing conviction of their duty to be as great in using as in gaining wealth!"

But what is the "proper training," of the rising generation? To answer this question, a good definition of the term "education" will be really helpful to us. Herbert Spencer somewhere defines "civilization" as "the adaptation of human nature to the social state." This seems to us all wrong. Does not civilization clearly mean improvement of our environment? Were we not right when we, in another place, called civilization "the struggle to raise the laboring classes from the lowest rung of the social ladder higher up"? Hence, we define civilization as "the adaptation of our social state, of our surroundings, to universal human nature"—that is, we reverse Spencer's definition. But we apply it to education; we say, "Education is the adaptation of human nature to the social state into which man is born." This makes education a complement of civilization. We, however, can also say, "Education is evolution, made conscious."

The first definition implies that every phase of civilization has its appropriate education. A good education under the *régime* of the Greeks and the Romans was very different from a good education during the Middle Ages; and the education we now need is, again, quite another than what our ancestors a century ago required. Our present social state, as we have seen, is a transition state; consequently a

## THE NEW EDUCATION

proper training now is one that will bring the mind of the child in harmony not merely with the obtaining imperfect social conditions, but also with those tendencies which all thoughtful men admit are now at work. This is the reason that education is of such supreme importance in our eyes: we can think of no safer way, of no better way at all, of progressing towards the Providential goal before us than that of training up the young to become efficient coöoperators in the coming change—each in his or her station, each according to his or her capabilities.

Our first proposition now is, that modern education is unsatisfactory, and, in particular, that it in no way corresponds to our present social state. In framing educational programs, we go back centuries for our instructors, and yet in building our roads, bridges, and houses we do not consult the old authorities. To this must be added, that amongst the teachers who have gone before, we actually ignore the very wisest, such as John Milton, and him whom Carlyle called "the first of European minds,"—to-wit: Goethe. Milton wrote his *Treatise on Education* for his own time, of course; that, we should remember, was 250 years ago, when only the small class of young aristocrats were "educated," who were destined to be the leaders and rulers of the common people. Hence, he uses this definition: "I call a complete and generous educa-

## THE NEW ECONOMY

tion that which fits a man to perform justly, skillfully and magnanimously all the offices, both private and public, of peace and war"; and he makes his pupils into all-round leaders, whether in cultivating a country estate, building fortifications, or "physicking" troops. But if we translate the suggestions and speculations of that treatise into terms of our present requirements, we shall find them of the greatest importance and assistance to us.

Our social conditions, of course, are radically different from those that obtained in the times of Milton; they may, indeed, be said to be the very reverse. Let us recall that we found the Trust and Democracy to be leading features of our present social state. In the first place, then, we have to train up—not a class—but our whole people, into being coöoperators; in opposition to the generation of Milton, we are a democratic people, with the spirit of Democracy irresistibly growing. In the next place, it so happened, that just when our forefathers laid the foundations for Democracy here, science and inventions came mightily to their assistance—since without steam and later on electricity we could not have utilized this American continent at all, and consequently could not have given Democracy the swing it has got. But it is science and inventions that evolved the Trust; and the Trust, again, has forced our people in all directions to subordinate themselves to great systems; has

## THE NEW EDUCATION

forced them to take their places according to their capacity as portions of great machines. That is to say, we are both industrially and intellectually more and more "specializing" our activities; we are fast becoming a people of specialists.

Well, these two characteristics of our social state—that we are becoming more and more democratic, and that specialization in all branches and in all directions is evidently the law that will govern our future—clearly have a great practical bearing on the educational methods that should be adopted. It is equally clear, that our present education almost totally ignores them. Our education is not democratic; its extent, on the contrary, is determined by social considerations. Take as an example Cleveland, Ohio: Out of 108 pupils, boys and girls, entering the primary schools of that city, 60 complete that grade, 20 finish the grammar grade, 4 are found in the second grade of the high school, and 1—only one—graduates from the high-school; and so it is everywhere in our country. What we call a "liberal" education is a select affair; we have schools for the professions, for mercantile life, but none for those innumerable boys from the masses who need some little preparation for their lives.

But this "liberal" education itself is a decided failure to the select few; it fills to overflowing the three traditionally learned pro-

## THE NEW ECONOMY

fessions, but helps these few in no way to become specialists; on the contrary, the men, thus educated, are later on in life driven by sheer necessity to learn somehow the art of being useful, or they live by their wits. On the other hand, all specialists of our day are unfortunately terribly narrow and sadly deficient in general culture and sympathy with the common affairs of the world.

The problem, then, is, how to train our youths that they may at the same time become capable specialists and all-round men—and this is our second proposition. We repeat that no man will in the future amount to anything, unless he becomes a specialist in something useful; but just by being such a specialist he ought to become so much the more valuable a member of a perfect Democracy. It is to accomplish this two-fold object that it is contended, that a study of Goethe will very much help us. Especially in his *Meister's Apprenticeship* and *Meister's Travels* there are truths contained which, though more than eighty years old, have not yet been heeded by us.

Listen to the following thoughts: "All men, even the most accomplished, are but limited. It is all men that make up mankind; all powers, taken together, make up the world. All potentialities lie in man, yet not in one but in many. Education ought in every case to be adapted to the inclinations; in man the first and last consideration is activity. We cannot

## THE NEW EDUCATION

act on anything without the proper gifts for it, without an instinct, impelling us to it. Every capability, however slight, is born with us; there is no vague, general capability in men. It is our ambiguous, dissipating education that makes men uncertain; it awakens wishes, when it should be animating tendencies. It should be the maxim, that in learning anything, its first principles alone should be taught by constraint. Pupils should be like so many swimmers who in the element which threatened to swallow them up feel with astonishment, that they have become lighter and that it bears them up."

Compare these thoughts with a well-known *dictum* of Dr. Johnson's, the celebrated English writer, and we shall better appreciate their truth. The latter said, that a genius is an unusually powerful mind that can "apply itself with diligence" to anything, but "the direction of this power, whether to poetry, war, law, mathematics or politics, is quite an affair of chance"; thus Newton would have become equally great, if he had tried to write an epic poem. We know that this is untrue; and that the contrary opinion, expressed by Goethe in these words: "Every capability, however slight, is born with us; there is no vague general capability in men," is clearly right and exactly corresponds to experience. A genius precisely is a mind eminently adapted to some one pursuit and who accomplishes great results

## THE NEW ECONOMY

in that pursuit without effort, without Johnson's "diligent application."

However, the point we here wish to emphasize is, that the passages above quoted rationally lead us to hope that every healthy child may by a proper training, as a rule, be found to have an inborn, however hidden, faculty to do something well; and that when this faculty is once discovered and free scope given to it, the whole mind of the child will open and expand. This will mean that whenever a dull child is found in a school, the most likely explanation is, that the child has been subjected to what Goethe happily terms a "dissipating" *régime*, and consequently this should so far be considered a proof of incapacity in the teacher.

Stop and reflect here a moment! If this hypothesis should prove correct, what a splendid future would there be in store for mankind! If really every healthy human being could as a rule be made capable of doing something eminently well—no matter what, if it only be socially useful—how would this not contribute to realize true equality, and consequently perfect Democracy? And even if we should fail in making every American with a sound body and a sound mind able to do something better than his fellows in his neighborhood, it would seem feasible to train the great majority of American youths up to be good for something and to be at the same time cul-

## THE NEW EDUCATION

tured and sympathetic men and women. How to do this is the problem we have to solve.

That is, education has Freedom for its object; that is, it aims at increasing man's power to act on his surroundings.

Our third proposition is, that in order to accomplish this the state must get hold of all its children and completely control them for ten years of their lives. But we are well aware of the difficulty there is in enforcing in our country compulsory school-attendance of boys, especially, over fourteen years of age; our wretched social conditions bring us inevitably to the dilemma of doing an injustice either to the child or to its parents. For every time we shift the burden of their support upon children under, say, seventeen years of age, we surely are guilty of cruelty and neglect to them. On the other hand, we have the testimony of the labor commissioners of our wealthiest commonwealths during prosperous years, that "sober and industrious workmen cannot make both ends meet without the wages of their children." But that the years up to the fourteenth should be devoted to education, is a proposition, admitted by all whose opinion is of any weight at all, whether they be parents or simply thoughtful well-wishers of their kind; indeed, all the states of our union, we believe, forbid the employment of children under fourteen years of age in factory, mine or workshop.

## THE NEW ECONOMY

Therefore the ten years that we propose to utilize for educational purposes are those from the fourth to the fourteenth year; and it is this moderation of our proposal that, among other things, promises it will work well. Compulsory education of every child of a large nation from the seventh to the fourteenth year has actually been carried out with complete success for many years in Prussia; and there will be no difficulty in having the three years from the fourth to the seventh transferred from the home to the school, as soon as it is made evident, that they may become fruitful in the cause of education.

And these tender years can be made highly fruitful. The reason is found in our fourth proposition, which is, that the principles of the Kindergarten be applied to the first five years, and those of Manual Training to the last five of the ten years of training which every American child will thus enjoy. But let us at the start say, that by the "principles of the Kindergarten" we do not mean simply Froebel's system, which often seems so shallow, that, as a wit once remarked, "American youngsters will snort at it." What we propose to do in the main is to apply the thoughts, quoted from Goethe.

Let us remember, that the institutions that we are particularly concerned about and which especially need improvement are the primary schools, since, as we have seen, four out of

## THE NEW EDUCATION

every five American children never see the inside of any other school. In these primaries the child learns only reading, writing and ciphering; that is, it acquires simply the empty wrappers of knowledge, and that in the most laborious, mechanical fashion by reading and writing empty words, silly sentences and baby trash. No wonder the child comes soon to hate this tasteless drudgery and longs to have school days over, so that it may escape from its prison—the school-room. And the worst feature in its consequences of this mechanical method of instruction is that it fails, of course, to take account of the vast differences between the individual pupils, of the characteristics of their emotional and intellectual nature. How great this difference can be is shown by the fact, ascertained in the University of Cambridge, England, that the ablest in mathematical capacity out of a thousand students is to the ordinary intelligent scholar as one hundred to one. Our routine method of instructing primary-grade pupils is as sensible for developing their latent abilities as if we were giving the same training to eagles and hares.

Fortunately there are a few places in our country where more rational methods have been introduced, to a limited extent, to be sure, but sufficiently to show their vast superiority over the mechanical mode of instruction, and this teaching has received the name of The New Education. We refer to the public schools

## THE NEW ECONOMY

in Minneapolis, Indianapolis and LaPorte, Indiana, the splendid results of which are contrasted with the lamentable results of routine teaching in Dr. Rice's book, *The Public School System of the United States*. It seems that one-third of the day in the primary grades throughout the country is taken up with so-called "busy-work"—*i.e.*, work that keeps the children busy while other classes recite. Now one feature of this "new education" is, that this busy-work is devoted to illustrating the ideas acquired from the direct instruction of the teacher by drawing, painting or modelling; in Dr. Rice's words: "The children work together in groups and assist each other. Round small square tables the busy-work is done and forms of beauty are constructed in common."

What is now proposed virtually is to extend this New Education and develop it to its fullest possibility, and this we say can be done by following Goethe's suggestions, and adopting the methods of the Kindergarten and Manual Training. The principles of both are really the same, only the former is applicable to the younger children, the latter to the older ones. The Kindergarten and Manual Training agree in this: the laws of mental development, of psychology, play in both a great rôle, become, indeed, the ruling spirit in the teachers, whose special function it is to study the children. The school, in other words, is looked upon as a psychological observatory where that most

## THE NEW EDUCATION

difficult art of discovering capacities in the pupils and adapting culture to needs will be practiced. We recall Goethe's saying: "Every capability, however slight, is born with us;" but in all of us these capabilities are at first hidden, and have to be drawn out in the proper manner. That is, as we said: education is "evolution, made conscious." Suppose an angel from the heights of heaven incarnated on earth: how utterly powerless this endowed being would be! "Helpless as any human infant, he would have to acquire culture and skill as we have had to do; he brings from his lofty sphere capacity for power, but not power itself."

The Kindergarten occupies itself with the youngest children. We know that the characteristic of all young, healthy children is restlessness of body, and of mind, which shows itself in questions and play. Questions constitute the natural opening of the child's mind: it has a right to expect that its many inquiries shall be regarded as of importance, and the Kindergarten teacher tries ingeniously to answer all the childish questions. Next the Kindergarten school is a play-room: the teacher skillfully guides the play of the children, so that it is made into the most fruitful kind of work. Children love to work, if playing that they are working. A story is told of a man who, wishing to clear his field, thickly strewn with stones, told the boys of the neighborhood

## THE NEW ECONOMY

to come and build a stone fort; with delight and eagerly they came with their little wagons and wheelbarrows and had a day of fine fun, liking nothing better than to play under the direction of such a kind teacher. In other words the teacher has so to organize the plays of the pupils as to fulfill the requirement of Locke: "All their plays should be directed toward good and useful habits or else they will introduce ill ones;" their capacity for feeling, thinking and creating will thus be gradually drawn out.

Manual Training, on the other hand, is adapted to older children, and has for object to give to their minds that choicest fruit of education: power—power to make the most of oneself; it aims at giving mental dexterity far more than manual dexterity. The education of the hand becomes a means for more efficaciously educating the brain: it is Felix Adler's testimony, that manual training promotes the intellectual development of children who are defective on the intellectual side—a sufficient reason why manual training should be an inalienable right of every American youth. There will be no difficulty whatever in getting children into such Kindergarten and Manual Training schools, and in keeping them there; the children on the contrary will consider it a hardship to be excluded from such schools.

We then propose that pure Kindergarten

## THE NEW EDUCATION

training shall be applied to the children from their fourth to seventh year, Kindergarten, combined with Manual training, to their ninth year, and that the Manual-Training spirit shall prevail from the ninth to the fourteenth year; thus there is no sharp line to divide the two methods, but one insensibly emerges into the other. It is well known, that we have here and there in our larger cities a few Kindergarten schools, virtually all voluntary, private institutions, and not one, as far as we are aware, pretends to be a model school of its kind; yet they have accomplished sufficient to prove, that the Kindergarten, when it has become an integral part of our public-school system, can do all that will here be claimed for it.

The first seven years of our lives are undoubtedly the most important ones, as during them tendencies are created in which lies the tap-root of all the thoughts and feeling of the years that follow. It should not be difficult to make every public-spirited citizen see that, if we could gather the squalid children, teeming in the tenements of our large cities, into sunny Kindergartens, teach them neatness and gentleness, open their eyes to beauty, train their hands in useful activities and develop their minds naturally and by an orderly method, the gravest dangers to our civilization would be averted. The Kindergarten is of an extraordinary value, first, because the child is at an age,

## THE NEW ECONOMY

when it is liable to great demoralization at home and in the street, and now is submitted to a gentle but firm discipline, which establishes character and habits of mind that will influence its whole future. Next, it saves both the poor child that often elsewhere learns corrupting lessons and the rich, self-willed, and self-indulgent boy; indeed, it appears peculiarly fitted to overcome the influence of inherited vicious propensities, since vagrant and neglected children in particular have been humanized by it. Again, the Kindergarten gives skill, taste and the amenities of life, so important to an industrial people as we are. This it effects by sympathy, by acting on the emotions of the child—hence the teacher must be strongly sympathetic; in fact, it is the teacher far more than the system that makes the Kindergarten a success.

And it develops the minds of the little children “by a natural and orderly method,” just because it aims, not at filling them, but at opening and expanding them: by counting marbles, the child begins to learn numbers; by handling ten copper cents, it learns the value of the dime; by counting dimes that of the dollar. By turning a pint dipper of sand twice into a quart pot, and the quart measure of sand four times into a gallon vessel, it discovers the facts of liquid measure; by measuring slates and pencils with inch blocks, it learns the exact value of the inch; it eagerly

## THE NEW EDUCATION

finds out that twelve of its blocks equal a foot, and thus acquires a sound foundation for the study of arithmetic. In its neighborhood it will find brooks and ponds, hills and plains, and a little encouragement will lead it to discover scores of islands, capes, bays and peninsulas by the roadside on every rainy day —these are humble but effective illustrations for learning geography. From pieces of rock, wood, cloth, metals, fruits and flowers it learns all about form, size, weight, colors, strength, use, origin and method of obtaining or manufacturing hundreds of articles, and thereby acquires habits of observation, inquiry, analysis and reflection.

Next, before any attempt is made at reading or writing, the children are made to play "at drawing;" the boy draws in order to show what he knows about wagons and horses; the memory of his difficulty will, next time he meets a horse or a wagon, make him not look at them but really see them. To be sure, these drawings will in the vast majority of cases be very unskillful; it may sometimes be difficult to distinguish a cow from a man, but no apology is needed for that: the point is that the drawing makes the ignorance of the pupil visible to the teacher and to the boy himself. The drawing, by the way, should be merely an incidental matter, subservient to the acquisition of ideas.

Let us now suppose, that the child has

## THE NEW ECONOMY

reached, say, its seventh year under such a Kindergarten training, as here sketched. As things are at present, it will then pass into one of our ordinary primary schools. How it will be amazed and disgusted! Hitherto it has felt nothing but pleasure, and this very pleasure has given it knowledge. It is worth reflecting on what Harriet Martineau wrote: "It should never be forgotten that the happier a child is, the cleverer he will be." In the primary school it is submitted to the drudgery of having strange ideas presented to it in a manner, totally different from its natural way of learning and entirely foreign to its little range of thoughts. No, the primary grade must evidently be reformed; the Kindergarten spirit must pervade it; it must be made to continue the work of the Kindergarten.

Fortunately a couple of highly successful experiments have been made in our country in that line, which exemplify precisely the teaching that shall be given to children between their sixth or seventh and ninth year after they leave the Kindergarten. The experiment was commenced by Miss Mary Aber in October, 1881, in a public school in Boston, and lasted for three years. But its success stimulated another primary teacher, this time in Englewood, now a part of Chicago, to try a like experiment in 1886, and that succeeded equally well. Both teachers received permission to make the trials on the condition that the grade

## THE NEW EDUCATION

work in reading, writing and ciphering should be completed in the required time.

Miss Aber's class consisted of nine children, between the ages of five and a half and seven years, coming, it seems, from cultivated families. In her own words, "the aim was to see, if the child may not at once be introduced to the foundations of all learning—the natural and physical sciences, mathematics, language, history—and at the same time to be given a mastery of reading, writing and numbers." She began by obtaining such statements from the pupils, as "children grow, children eat, children play;" then like statements about animals and plants; she wrote them down on the blackboard, told each child where his sentence was, made it copy the same as well as it could and read it. This was the first reading and writing lesson. All these sentences were kept standing until there was enough for a four-page leaflet, when they were printed. Then she made her pupils answer the questions: "What do children eat? What do animals eat? What do plants eat?" to which last query the answer came, that some of the food of plants comes from the soil. Thereupon came the puzzle: "Where does the soil come from?" and here we come to the first real lesson in science.

The following day the teacher and her class rode out into the open country, until they arrived at a ledge of rock; by leading questions and promptings she finally obtained from

## THE NEW ECONOMY

her pupils the statement: "Rock decays to make soil," which, on returning to the school-room, was also written on the blackboard and copied. The science lessons continued; the children were made to comprehend the shape of the earth and that the soil on its surface is comparatively much thinner than the carpet on a floor. They drew a map of the school-room, and were made to trace their route into the country and locate the ledge of rock, above-mentioned. The phenomena of rain and wind and their effects were explained to them; they were at all times led to tell what they had learned in their own words: the object constantly aimed at was, that they should get hold of ideas and express them in clear, terse language. When the child's own vocabulary was exhausted, it was promptly helped to words, the effort being to use the speech of cultivated people; but they were never asked to spell or write isolated words.

They went on and studied geology, the paving-, building- and ornamental stones, used in Boston; physics, gravity, the three states of matter, heat, evaporation, the thermometer; chemistry; physiology, and botany. In the latter science there was projected a series of lessons on plants, yielding textile fabrics, and the articles manufactured from them; some fine specimens of the cotton plant were obtained which kept fresh for nearly two weeks, and showed all the stages from flower-bud to open

## THE NEW EDUCATION

boll of cotton fibre. Maps, globes, compasses and modelling were used throughout the course. Ciphering had commenced right from the start with concrete objects, thus: "In one sheath of white pine are five needles; in two sheaths are two times five needles, that is ten needles." Thereafter they obtained unworn coins from the Philadelphia mint; with them and with different denominations of paper money up to the fifty-dollar bill the children learned the value of money, fractions and decimals, whereupon they proceeded to actual business transactions, each child having some money entrusted to it. Advantage was taken of birthdays, anniversaries and natural phenomena to teach the pupils short tales of heroic actions and poems. History, assisted by colored crayon maps, was a regular study, mainly local history: as the settlement of Boston, the beginning of the revolutionary war, accompanied by a visit to the Washington elm at Cambridge, some incidents of slavery and the civil war, connected with Garrison. The third and fourth classes proceeded as far as to read from original sources, like extracts from diaries and letters, printed on leaflets, and then they were induced to draw from their reading their own inferences.

At length, at the beginning of the third year, Manual Training, the industrial part of the experiment, was started. Each child was provided with a bench and ten tools, among them

## THE NEW ECONOMY

ruler, hammer, plane, saw, try-square and chisel. The younger children made each a box, the older ones each a case with shelves, fitting into grooves—each step was mastered before the next one was attempted. They all began with the use of the ruler in measurements up to one-eighth of an inch. After the first day no two children were exactly together, each one's position depending on his own results. A true cut with the cross-cut saw was the hardest task; often a child would ask: "Will that do?" "Test it!" was the invariable answer.

The chief end of this instruction was to put before the children concrete examples of the true and the false, so that the child might judge its own work by some unvarying standard. One of the older boys was the first to finish his case, but in his excitement the last groove proved defective; with a manly effort to keep his eyes from overflowing for being set back he voluntarily laid aside the faulty side among the failures and began anew. Now comes the moral of the whole experiment: besides this large mass of superior knowledge, evidently acquired by these children, the ordinary proficiency in reading, writing and ciphering, the subjects exclusively taught in the common primary schools, was reached, and yet these elements were here learned incidentally by the pupils, while they really were engaged in acquiring ideas.

The Englewood experiment was even more

## THE NEW EDUCATION

decisive on this point and, we may say, more interesting in general, since here out of a room of forty children, from all sorts of families, divided into two classes, one class finished the year's grade-work in eight months, while the other class (excepting two children) completed it at the end of the year—besides, be it of course understood, doing, as in Boston, all the extra work of teaching real learning, the true foundations for substantial knowledge.

These experiments seem to this writer of inestimable value, as showing what the primary grade ought to be, what the training ought to be to which all the children of the Republic from, say, six to nine years of age should be submitted. Of course we shall often hear repeated the objection which visitors to Miss Aber's school never failed to make, to wit: "These are a small number of pupils, and children from cultivated families; such results will never be obtained from miscellaneous public-school children." We might reply, that the Englewood case just proves the contrary; but let us admit for argument's sake the exception well taken, then we reply, that it is precisely this difficulty which the previous kindergarten training, above outlined, will remedy. We contend, that such training will convert any healthy four-year-old child after the lapse of two years into a pupil, fully on a level with the Boston six-year-old children.

Now the child has completed its ninth year;

## THE NEW ECONOMY

half of its training is over; what cannot be done with it during the remaining valuable five years? Henceforth it is the Manual Training spirit that will prevail. Mark the term "spirit!" it is not all to be Manual Training. It is well known, that we have in our country several special Manual Training schools, in Toledo, in St. Louis, as well as Felix Adler's Workingmen's School in New York city, which unfortunately is exclusively for poor children; it is further encouraging to learn, that during the last generation a great deal of enthusiasm has shown itself on this subject in various localities. But some of this enthusiasm undoubtedly has been somewhat confused.

Thus the Boston Social Science Association made in the year 1877 a recommendation, that actually was too generous—to wit: for "a developing school so arranged, as to give all the pupils a good general idea of all the different trades, arts and callings, in order that it may be ascertained by themselves or the superintendent for what kind of business they have the greatest natural genius"; they went even farther and asked for the introduction into this school of "every tool and appliance, ever used in any shop whatever." It is a misapprehension to suppose, that Manual Training is intended to make any boy into a skilled workman; in fact, to introduce a trade into a Manual Training school is to degrade the school, and is at the same time to impair the humanity of the child

## THE NEW EDUCATION

—such schools would make the mass of mankind even more machine-like than they are. Let us not forget, that the education for which we are on the look-out is one that will make children by-and-by both specialists and all-round members of a perfect democracy.

Now in order to see the blunder of the proposition of our Boston friends, let us contrast with it the true Manual Training idea, which it is curious enough that we must go to Russia to see realized; for actually it is Russians who already now for some years have had the right system in operation. They make a sharp distinction between the Trade and the Art—"The trades are many, the arts are few." They make the art fundamental, and this is the right idea; it is the art that we must teach to our boys by purely educational methods. It is not "every tool" we should make them acquainted with; but it is the universal tools—and of them, authorities say, there are scarcely more than half a dozen in number. These, the "typical" tools, and the essential mechanical principles of all trades, should be arranged into a systematic course of instruction and then incorporated into our system of education.

Such manual training will finally solve the problem we have set ourselves. It will, in the first place, give the pupil power to make the most of himself, to know something thoroughly, and this it will accomplish by leading the youthful mind to form habits of observation, of self-

## THE NEW ECONOMY

activity, of self-development and thus to become a self-educator. And, in the second place, it will actually make of the youth an all-round man—and an all-round woman, too, for that matter; for we must not fall into the error, that this is a training merely in the one department of practically applying science. Such a Manual Training School has, on the contrary, many windows, looking out upon the whole circle of human activities, and many doors through which the pupils step out in all directions, each choosing his most promising career—in other words, it is much more than a mere complement to what is now called a “liberal” education; it is in very truth itself a liberal education. The present liberal education, as a matter of fact, confines its devotees to one department of culture and makes them look with contempt on everything outside; it is thus in the highest degree an “illiberal”—a one-sided discipline; but manual training, properly understood, opens up the whole universe of knowledge and culture.

One reason for this, of course, is that while the brain can exercise itself without calling upon the hand for assistance, the hand cannot do any but the most mechanical labor without taxing the brain; but the manual training, here outlined, is the very reverse of being mechanical: the brain is constantly exercised; it is, as already said, mental dexterity rather than manual dexterity that results. Another reason

## THE NEW EDUCATION

is, that unification, Synthesis, is the true principle to underlie the development of the mind, and unification presides all through over this manual training: not a single piece of work is done that is not shown to have its proper reference to some whole; while reversely our analytical, superficial, "dissipating," classical education "makes," in Goethe's words "men uncertain."

This difference will mean a great deal. Exclusive head-work unfits, as we well know, men for practical life; but Manual Training will sharpen and stimulate all the various capacities, and harmoniously develop all faculties. And the principal point we wish to make is, that Manual Training will both rouse and save minds that are now known as dull, and also greatly quicken those who are intellectually inclined. It is, we are confident, not too much to insist upon, that a fourteen-year-old boy, after passing through such a ten-year *régime* as here outlined, will be fully the peer in knowledge, in mental acumen and moral perceptions, of any of our young men of twenty-one who has just graduated from Harvard.

Lastly, our fifth proposition is that, since our whole population is to be trained up, the state will be compelled to look after the physical wants of its poorer children. A hungry child is a poor subject for education. In Paris they furnish free lunches and clothes to ragged children in such a delicate fashion, that the

## THE NEW ECONOMY

objects of their benevolence are not known. Our reform-forces ought to utilize all elections for members of school-boards to effect such beneficences.

The outcome of these reforms is nothing less than this: that a New Ideal will ascend the throne. We saw in a previous chapter, that we need a change of ideals above everything else; and we need a new ideal of education as well as a new ideal of life. Our present educational ideal is actually a vicious one and almost justifies the charge that is made, that our schools are "godless." The mercantile spirit pervades, and has during this whole century pervaded, our schools from top to bottom; for generations our school-children have been taught that "competition is the life of trade," and "business" has been put before their minds as the one suitable goal for their ambition; consequently our people have imbibed their distaste for manual labor from their earliest age. In obedience to that ideal our children, and our boys especially, have been trained in the school for the competitive struggle of life: they have been taught accomplishments, artificialities and shams that later on in life will enable them to "get the better" of their simpler fellowmen in the struggle for existence and for wealth.

And here comes in the real justification for the study of the ancient classics. There is no doubt, that the fundamental motive of those

## THE NEW EDUCATION

who uphold the instruction in the Greek and Latin authors was and is to introduce the students into another world, a world diametrically opposed to this competitive social anarchy, a nobler world, where devotion to the commonwealth and public spirit were inculcated and honored as the Supreme Virtues. Neither can there be any doubt, that these ancient authors, in spite of much "moral filth" (as Prof. Benjamin E. Andrews calls it) which they contain, have done an invaluable service to our civilization in keeping these virtues alive and reviving in the minds of our youth during their most impressive and emotional years the ideals of the old civilization in this materialistic age that contemns all higher aims. Fortunately, there is now no longer any need for going back to the ancient classics for that purpose: to persist in doing so is just as mistaken a notion as for Carlyle to revert to the Middle Ages for a remedy against our present disorders. And there happens to be a positively mischievous effect of these studies, for not alone do men of a "liberal" education come, as we noticed, to look with contempt on everything outside their sphere, but youths in their teens who have learned a little Latin and Greek actually affect to despise those they call "philistines," and to believe that nobler blood flows in their own veins—this writer knows whereof he speaks, for he himself once had that very feeling.

Now we don't mean at all to discourage the

## THE NEW ECONOMY

study of the classics by those who have the time and inclination, but the fact should be stated that we now have a much better ideal than that found in the ancient literature to put before the rising generation, to wit: the coming civilization of the Coöperative Commonwealth. This is a world, just as different from the present one as is the Ancient World, embodying the same high virtues and none of its drawbacks: organic, social unity, devotion to humanity, public spirit, and inculcating "selflessness:" the temper that prompts us to seek our individual welfare through the collective well-being. It is precisely this new educational ideal which the Kindergarten and particularly the Manual Training methods will tend to evolve: it will make coöperation—or as the Rev. E. E. Hale terms it, "the togetherness of the human race"—a second nature to the school graduates of the future. Every one of them will be an adept in his own department—inside of which there will be a number of specialties to any one of which he may devote himself as he chooses—but he will also know enough of all other human efforts to have a strong sympathy with them and to be aware of and appreciate their inter-dependence.

That is to say, on leaving school the youths of our country will be inclined and qualified to fight the battle of civilization in accord and in coöperation with their fellows: just by reason of their being specialists they will perfectly fill

## THE NEW EDUCATION

their *niche* in the complete Democracy. All men, but Americans particularly, delight in skill; we may be sure, that the gratification and pride which the rising American youths will feel in exhibiting their talents will go far towards doing away with the wide-spread disdain for manual labor, which actually has imposed on us the necessity of importing nearly all our skilled workmen. It is thus evident, that the New Education will have many highly moral elements. The tests of the true and the false, imposed on Miss Aber's training class, furnished such a moral element; and the boy who with tears in his eyes laid aside the defective piece of work of his own accord administered a splendid, effective moral lesson to himself.

But we advisedly declare, that under the present social system it is impossible to give to children a training that will keep them moral as adult, active men. The most effective ethical education at present is instilled by a virtuous, social atmosphere and moral examples, constantly before the eyes; this, to be sure, is a great blessing to every child; but it does not keep the ordinary boy straight, as in fact we know from the adage, that clergymen's sons invariably turn out the greatest scamps. Why should it? What is needed is to learn why and how we should overcome temptations, but the temptations of life are unknown to and perfectly inconceivable to the child, and, what is even more, are so to the

## THE NEW ECONOMY

teachers, as long as they are women. Moreover, we have insisted, that at present it is impossible to lead a moral life, at least if we want to be successful.

Yet something more than is now done for moral education can be done and ought to be done. We mean that in the schools, above outlined, the children should further be instructed in History, particularly in the Philosophy of History, Political Economy and in the topic of Good Citizenship, and these subjects should be considered important branches of study. We would add Moral Philosophy but for the fact, that this science has no rational or intelligible basis, and will not have it until we reach Collectivism, as was the conclusion of Chapter III. Undoubtedly the other subjects cannot till then be properly taught—History will continue to be looked upon as a confused mass of examples, instead of an ascending series of preparations—still some good will be accomplished by their study: there are many things in the economic sphere that are just as true now as they will be under Collectivism, and a boy, in a school of the kind here suggested, may easily be so well grounded in economic principles, that he never can be misled by the sophistries that were so plentiful in the late campaign.

We shall have to wait for the Coöperative Commonwealth in order to see the New Ideal both of life and of education realized. Not till then shall we be able to do our whole duty to

## THE NEW EDUCATION

our children. So far we have concluded, that parents as a rule will be willing to give up to the state for educational purposes ten years of the life of their child up to the 14th year, especially when they discover, that on leaving school under the New Education it will be infinitely more valuable to them. But under Collectivism all young persons will be relieved of the burden of being bread winners, with which so many are now crushed down, and the *prestige* of the teachers will be largely extended.

It is Prof. Fiske who has remarked, that every new civilization has enlarged the period of infancy, and the newest civilization of all, Collectivism, undoubtedly, will extend it to the adult age.

This, in the first place, will confer the great blessing on our youths of submitting them to the guidance and control of the teacher during that dangerous and stormy period of puberty, say, the 16th, 17th and 18th years, when the passions and imagination run riot, and when boys actually form the most dangerous class in society.

In the second place, it will confer on our children the equally great benefit of submitting them to a most healthful discipline, for discipline is a *sine qua non* for the successful working of the Collectivist Republic, and most needful precisely for American youths, who, to speak the plain truth, are more undisciplined

## THE NEW ECONOMY

than the youths of any other country on account of our American idolatry of license.

And, in the third place, and perhaps most important of all, it is in the Collectivist schools and from the 14th to the 21st year, that the Able Man, whose supreme value we noticed in previous chapters, will be discovered and trained for his future functions. The child's latent, inborn faculties, qualifications and true inclination will there, especially by the Manual Training method, be revealed to itself, its teachers and its parents; then it will be transferred to the proper department, where it will be trained to become an adept in all the leading principles, so that it afterwards is able to turn its hand and mind to any of the subdivisions and be a master anywhere. In other words, from the school it will step over into active life and henceforth be the leader and director of its fellows. Then we may possibly have the equality, especially the material equality, now prematurely insisted upon by Bellamy and his followers, since, when all receive their training gratis from society, there will be less reason for unequal financial rewards, particularly since furthermore honors and influence will be freely granted and eagerly accepted.

It has already been noticed, that in the Kindergartens the teacher is more important to a successful training than the system; and many a reader of the foregoing pages will have observed, that the new education requires a

## THE NEW EDUCATION

very different kind of teachers from those we now have and very many more of them. We have seen how necessary it is that both the Kindergarten teacher and Manual Training instructor shall give due attention to each child, study its capacities and "fit culture to its needs." In order that this may be done, we must, of course, considerably reduce the number of pupils to each teacher, who now often are as many as seventy children to one school-mistress. This is simply outrageous. Harvard University has in this matter set a good example, for there, we believe, there is one professor to every ten students. There clearly should never be more than twenty scholars to one instructor.

Next, we must positively have many more male teachers than we have. Among those best able to judge of our educational needs there is a universal complaint of the poor quality of our present corps of educators; Dr. Rice, already mentioned, constantly complains of this. The reason of this is obvious and so is the remedy. Virtually all the teachers of the public schools in America, in opposition to all other countries, have been and still are women: more than that they are young, untrained girls, who have entered upon the grand art of teaching simply as a "business", and a temporary one at that; that is to say, they look upon it as a makeshift to earn a little pocket-money, or to gain a genteel living while waiting for a chance

## THE NEW ECONOMY

to marry. No wonder under these circumstances, that our people do not respect the office of a teacher. We must have a higher conception of the dignity and value to society of the teacher's art. Under the New Education, here proposed, teaching should be the most exalted function, created by civilization; but this it will never be, until a person makes it a life-work. This, as a rule, cannot be expected of women; men only can be relied upon to make any line of work a profession and devote their whole soul to it; moreover, boys and girls after a certain age do not have the deference for women that they feel for men-teachers. Hence we must hold out correspondingly high inducements to young men of fine natural ability to prepare themselves properly for a life-function of teaching.

But this is only half of the difficulty mastered. For there can be no doubt that women are in their proper place in the Kindergartens, since there the teacher must be strongly sympathetic with the natures to be trained, and men in such a position unquestionably seem to unsex themselves, and the same applies to primary schools. Hence we must find exceptional women for these positions, women with the true missionary spirit to induce them to accept that function as their life-work. We must come to regard much higher than we do those who have charge of the earliest and most critical state of development of the young; both primary and

## THE NEW EDUCATION

Kindergarten teachers should be made to feel, that they occupy one of the most responsible, the most important and the most respected positions in society.

All this, it of course will be objected, will vastly increase the cost of education. To be sure it will. And this is among the reasons why we insisted, that this New Education is a subject of the greatest concern to the statesman and the voter. Every thoughtful person will heartily endorse Prof. Shaler's remark, that "the simplest of all ways of making a new heaven and a new earth is through a fond, deserving and individual care for each child." John Milton in the wise *Treatise*, written 250 years ago, observed: "That which I have to say concerning education assuredly this Nation hath extreme need should be done sooner than spoken," and this observation applies with an even greater force to our people and to these critical times in which we are living.

How sagacious John Milton was in his generation is well shown, first, by our American civilization and our American greatness being concurrent with the evolution of our school system, and next by the fact, that at the start our forefathers were altogether blind to our educational needs. In the convention that framed our Federal Constitution the education of the people was not mentioned and a motion for a clause, creating a national university,

## THE NEW ECONOMY

was voted down. The constitutions of only three out of the thirteen states, we believe, made a system of free schools a part of their fundamental law. Suppose that no state had been admitted to the Union, until it should have established such a system of free schools for all its people, would not very likely our history have been a very different one from what it has turned out to be? In the early days of the state of Ohio the proposition to support public schools by taxation was deemed a violation of individual rights; now we are throughout our country as far ahead of these times in education as our electric lights are superior to the old whale-oil lamps.

All our commonwealths now support free public schools, and with all their deficiencies the advice of the Rev. E. E. Hale—"If you are an American, send your boy to a public school!"—applies to them all. Meanwhile, almost before our people as a whole have become aware of it, there has by national initiation—by land-grants, by the Morrill acts, etc.—come into existence an American system of public universities, the crown of the public schools, and these state universities have already become the educational heart of many new commonwealths. Our present public schools represent the state to our children as the instrument of the will of the people, working for the enlightenment of all; and hence it is looked upon by them as their

## THE NEW EDUCATION

benefactor as the state never was before. Moreover, these public schools of ours undoubtedly have proven a most successful instrumentality for converting the raw material of the immigrants into useful American citizens.

How much more glorious, however, will it not be, when the state makes the Kindergarten an integral part of the public school system and when it furthermore introduces the Manual Training, here proposed! If universities are the crown of the educational system, Kindergartens surely are its only substantial foundation. What gratitude to our country, what love for it will not be evolved, when through its wise generosity all its children will have their faculties developed, when all the latent talent and genius among its poor will gain access to the prizes of life, and when even the child-victims of fate and misfortune will get a chance of escaping from their inherited status! Surely we shall then be far on the way towards a solution of the most formidable social problem, ever presented to mankind.

No pecuniary sacrifice should seem too great to achieve such an end. Hence it seemed to this writer, before our war with Spain broke out, that we might with advantage seriously consider a proposition, which at the close of this generation easily would produce ample funds for our purpose, and that without laying heavier burdens on the shoulders of our people

## THE NEW ECONOMY

than they already bear. The proposition was this: Now we most justly and patriotically raise and expend annually a sum, oscillating around the one hundred and fifty million dollar mark, in pensions to our sailors and soldiers and their dependants. In a few years this huge annual expenditure will begin to diminish, then it will shrink very fast and finally with the dying out of this generation it will vanish. Is it then not a very sensible and practical plan to continue to raise this sum to its average amounts, and then gradually begin to expend it in the training of the nation's youth, till at last the whole amount became available?

Will it not be splendid with one effort of the whole nation that we shall not at all feel, all at once to lift a whole generation of our people up on a strikingly higher plane of civilization? Why, the mere promise of such generous action—not by a “state” simply, but by the entire American people—will be sure to touch the heart and rouse the spirits of our poorer fellow-citizens, and may move some of our rich men to spend of their vast means sufficient to allow a beginning immediately to be made. Should not the threatening social problem and the dawn of a new century in unison make us ready for such a grand effort? Is this even now after the war nothing but a vain dream?

Such a New Education will naturally be fol-

## THE NEW EDUCATION

lowed by its complement: a more perfect civilization; for youths, thus trained, will indeed be fitted to "adapt our surroundings, our social state, to developed human nature."



## Leadership

*“Social thinkers—those who can feel deep and think clear—will be required to furnish light and guidance.”*

—PROF. WM. GRAHAM.



# What The Individual Can Do

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Lincoln to Wendell Phillips: "Our function is not the same as yours, Mr. Phillips. You make public opinion and we use it. You go on making it, and we will go on using it, as fast as you can make it!"

We have seen, that the measures recommended in this volume are all political questions, that is: that they belong to the sphere of the statesman and of the citizen as a voter. Meanwhile what can the citizen do as a private individual? That is about what we in this concluding part shall inquire.

We answer, in the first place: the individual can do very much indeed; he and she can do precisely what needs to be done in these closing years of the Nineteenth Century. Reformers hitherto have taken for their motto: Agitation, Organization, Education; their motto henceforth ought to be: Educate, Educate, Educate.

When this writer published *The Coöperative Commonwealth*, agitation seemed of the very first importance; now it is advisable to rein in the horse rather than urge him on. The four hapless years of Grover Cleveland agitated for us; and the next period of hard times will furnish us all the agitation we can stand.

## THE NEW ECONOMY

No, it is not agitators that now are required. The armies of reform, as has been stated, are at hand and are ready for action, but unfortunately they are not duly prepared: our people are not ripe—this is the dangerous condition to which the late campaign has opened our eyes.

We lack and we need leadership, that is: we sorely need education and organization of those who are properly educated. Individuals—the exceptional men and women who in these critical times can afford and are willing to devote their time and talents to the consideration of radical solutions—should first of all educate themselves and then organize to educate others, and educate themselves and others to be leaders; in other words: reach a conviction and come to an agreement as to what should be done and how to do it. Hence it is not numbers that here count, but quality, the stuff that is in folks. Such individuals can make history, for all history was made by just such persons as they. You have no conception of the force, evolved by the unity of a handful of people, knit together by love for the same progressive social ideal; especially if really a wave of generous social sentiment be due with the dawn of the new century, as was the case in England five hundred years ago, and in Europe a hundred years and, again, fifty years ago—for these high, generous ideas always seem to come in waves. Realize this

## WHAT THE INDIVIDUAL CAN DO

conception, and you will discover that life, indeed, is worth the living!

It is rather an ungracious task for this writer to criticise Edward Bellamy after he has left us, but we really must do it. Bellamy proved himself an admirable agitator but an unsound teacher. In the former capacity he has done the cause of Collectivism a most valuable service by getting a number of educated people interested in it by his entertaining social economy and limpid clearness. We have already discovered his unsoundness as a teacher in his ignoring ability. He addresses the working people in this way, "Do ye for yourselves that which now is done by the capitalists, namely: the ordering of your labor, the marshaling of your bands and the dividing of your tasks!"—that is precisely what they cannot do without ability. He greatly relies on "the great inventions that have indefinitely multiplied the powers of men"—this is strictly speaking not true; these inventions have greatly augmented the resources of ability, for it is by ability that they are utilized. This is really the burden of his last book, *Equality*.

He further abolishes the wedding ring, and makes all his people into vegetarians. "Animals will have gone to their reward," he says—aye, the rewards of Nirvana; for if we now kill them, we also bring them into existence, and create all enjoyments of life for them, and these seem to be very great. And he changes the

## THE NEW ECONOMY

whole nature of woman: "there is no trade, even not that of machinists, farmers, engineers, carpenters, iron-workers, builders, engine-drivers, in which women take no part;" "more women than men are engaged in great machine works;" a young girl is made to say: "My mother is first lieutenant in a great iron-working establishment." In fact, Bellamy commits the same mistake as our philosophical anarchists: he creates ideals for humanity, as he supposes it will be thousands of years hence instead of fifty or a hundred years hence; he evidently also shares the common American error of wanting to invent social remedies: he assumes, that men can construct any social system they choose, and so he sets up his own ideal system and expects the people to realize it according to the sketch he has made. He might just as well propose to change the gnarled oak into a straight pine-tree.

But it is particularly when we come to the transformation that he becomes a most unsafe teacher. He entirely fails to connect with reality, and is purely a dreamer, though a most generous dreamer. He starts out by coolly assuming that public utilities are municipalized and nationalized, among them railroads, the liquor traffic, coal-mines, petroleum production, which will give the government five million employés to start with. It must be admitted, that Bellamy has commenced by taking a veritable seven-mile step, since, as we

## WHAT THE INDIVIDUAL CAN DO

have seen in this volume, this socialization and nationalization constitute precisely the most important, and at the same time the most difficult part, of the transformation.

The rest is plain sailing for Bellamy, as we see from this description of his: "The Great Revival was when the culminating impulse did its work, not so much by breaking down opposition as by melting it away. The capitalists were incapable of standing out against the contagion of the enthusiasm of humanity, the passion of pity and the compulsion of human tenderness. The people came to recognize that the new order was a controversy between the Almighty Dollar and Almighty God. There was no war, of course, since there was no one to fight against. The revolution was like a trial in court of a case. It was the most transcendent moment, when there was a melting and flowing forth of men's hearts towards one another, a rush of contrite, repentant tenderness, an impassioned impulse of mutual love and self-devotion to the commonwealth."

The sole practical elements of this transformation scheme are his "transition-stores"—stores where his five million government employés procure "at cost" all provisions of necessity and luxury, which the government buys from private capitalists, producers and importers. It would have been profitable to Bellamy, if he had studied Karl Marx a little more and learned from him, that it is men's material

## THE NEW ECONOMY

interests that generally govern their actions; then he would have known, that the capitalists, producers, and importers, far from "viewing these steps with little apprehension," are sure to fight them to the death. Instead of the "rush of contrite, repentant tenderness" he might have seen, that Providence is actually under our very eyes making human greed and lust of power forge weapons against themselves, train men in coöperation and organization, and, indeed, construct the whole new social order, so that all that will be left to do is to knock down the scaffolding.

Lastly, Bellamy promises the common people altogether too easy times under socialism. He foretells illimitable wealth, for which prophecy there is no need and which may easily prepare for terrible disappointments. His *Equality* will start creative organizations just as little as his "Nationalist" societies did.

Now we, in the second place, in answer to the question: What can the individual do? venture to make a suggestion, which the reader, if he chooses, may look upon as a personal conceit, but which nevertheless we believe very practical—to wit: that the individual can do nothing better than with others of his way of thinking organize what as a matter of description we may call "Civic Churches." Such an agency seems to us peculiarly conformable to the American mind and American prejudices—if the expression be pardoned. Churches have

## WHAT THE INDIVIDUAL CAN DO

here social and economic advantages, well-known to all, which it would be folly for reformers to neglect; they are a form of organization, admirably adapted to concerted efforts; they, lastly, possess the considerable advantage of having one whole day at their disposal, set apart by social usage from secular work.

Of course, these civic churches are not intended to be in opposition to the ordinary churches but rather to supplement them. Half of our population, and more than half of our men, do not attend the latter—it is these we want to interest. Perhaps it would be desirable to insist on just one article of faith: a belief in the “Power behind evolution” in the World Spirit. Otherwise the difference between these “civic” and other churches will be considerable: the latter prepare for a life to come; the former will pave the way for a better life here on earth; the former exclude politics as paltry and coarse; the latter precisely will make politics—to wit: the science and practice of government—their principle concern; the former are places for worship and prayer, the latter are intended to be council-halls, where we should prepare for action.

For we intend to practice what we preach. We shall be very much like the Abolitionists, whose example should be a great stimulus to us. Our fellowships should be forceful, because our ideals are progressive, that is: they conform to the changed conditions of society,

## THE NEW ECONOMY

while Christian Endeavorers, Evangelical Unions and similar bodies are evidently not interesting the majority of men, because their ideals are reactionary and are derived from the simple social life of olden times. In these civic churches well-informed, thoughtful men and women will on Sundays listen to lectures by competent, trained teachers on political, economical and educational subjects and take part in sober discussions thereon—not with a sort of apology, as is done even in so-called "People's Churches," but conscious, that they are acting in unison with the powers and forces that are working out the destiny of humanity.

Above all, the radical difference between our present places of worship and the proposed civic churches will be this: the former inculcate, that the spiritual regeneration of the community comes first, that it is a prerequisite to the well-ordering of the social and material affairs of citizens. As the anonymous author of that splendid book, *The Social Horizon*, expresses it: "For nineteen hundred years men have proclaimed the gospel of the Prince of Peace, and yet now, when the sun of industrial peace and concord sends us its first rays of light, they cry out in dismay, 'To be sure, we want peace but not peace to this extent; we don't want peace in our social and industrial relations. If we have peace there, how are we going to get along at all, how can we make men strive, if we don't make them scramble?'

## WHAT THE INDIVIDUAL CAN DO

And so the Christian Churches pray for peace, brotherhood and mutual help, but they expect them through Pentecostal showers." We, on the other hand, shall teach, that the proper organization of social and industrial life is the proper way of promoting morality and religion, because it is actually the Providential way. We find, that peace and brotherhood are in reality brought about by Providence through the pressure of economic forces, the growth of trusts and the greed of men.

If such a civic church should in the near future be started in any of our large cities and such a program published to the country, we verily believe, it will prove just as contagious as Fourieristic Socialism was found to be in 1840, when in a wave of enthusiasm it passed through the United States, though it at that time turned out to be premature. Such churches may show strength enough by the year 1900 to persuade both the party in power and our reformers to adopt the measures here proposed or others like them; and thereafter not a year need elapse that may not give them some victory to celebrate. By their works they may show a better title to the name of "religious" bodies than the present churches. For the simple principles for which the latter contend are no longer matters for argument; in their support there is absolutely nothing more to be said, and hence they are made subjects of emotions—of prayer and worship. But our

## THE NEW ECONOMY

civic churches, in striving after a highly organized society on earth, in which every man shall have his place and his work, will both satisfy man's intelligence and captivate his heart—and, most satisfactory of all, will concretely vindicate the ways of Providence to man.

Now, these civic churches, if they succeed, ought to evolve the leaders we so sadly need. And here it is requisite that we speak with perfect frankness.

There was not a single man in the Bryan party fit to be a leader—theirs were all blind leaders. Undoubtedly there were some who were perfectly well aware of the unsoundness of the demand for Free Silver, but who thought it wholly proper to use the sentiment in its favor as a means of securing power for the people, for the poor. They never thought of the ruin that would threaten our country or the danger of rushing into another French Revolution.

We said at the start, that the fact that the old Democratic party has veered round and is now antagonizing the capitalist system is one of tremendous importance and one that promises much for future reforms. But let not reformers follow the leadership of the Democratic party! A Democrat—a Jeffersonian Democrat—is by his very nature unfit for leadership, however sincere and sympathetic with the masses he may be—Altgeld's mischievous States' Rights

## WHAT THE INDIVIDUAL CAN DO

plank among other things proves this. He has been trained in a creed and in traditions that were progressive a hundred years ago and which for that very reason are now reactionary. A Democrat is nowadays a reactionist, an individualist from the crown of his head to the soles of his feet; he actually must turn a somersault to become a Collectivist reformer.

No, the leaders ought rather to come from men, imbued with the principles and traditions of the old, the black Republican party; and in fact we know the People's party was at first so recruited almost altogether. The late campaign, we may indeed say, was really a battle between a mother—the Republican party, and her offspring—the People's party, which the Democrats joined from motives of self-interest.

It is, of course, absurd to suppose, that the present Republican party, with its capitalist leadership, will ever fight the people's battle against the Plutocrats. Still the Democrats should reflect, that the Republican party may at some critical period take the wind out of their sails by adopting some of the measures, suggested in this book. It will not be the first time, that the Power behind evolution has bribed prominent characters through their interests and their passions to become its instruments—they all the time believing, that they were exclusively pursuing their private ends. The principles of the old Republican party lead straight to Collectivism.

## THE NEW ECONOMY

And these civic churches may in consequence bring about another great change. Professor Herron, a Christian Socialist, and himself a Congregational minister, observes: "Churches are made up mostly of the pastor and women; thinking men lose respect for clergymen as a result." The fact unquestionably is, that because our Christian churches are exclusively seats of emotion, it is women that maintain them, and that contributes to make them paralytic and impotent. But in the proposed civic churches we may be sure, that men will come to take interest; men will like to attend their meetings and want to have influence in their councils. Women, certainly, will be most desirable, much needed helpers in the critical times before us; we go so far in that respect as to say, that nine men and one woman of the right sort can accomplish many times more than ten men alone can; on the other hand, we do really believe, that nine women and one man would not do at all.

We mean by this, to be perfectly frank, that it is men and not women that will accomplish the great change of the future, as they have effected all changes of the past. Woman will in this work have a great function: that of fashioning motives for men, and it will be a tremendous power she will exercise; she has a peculiar endowment for inspiring men to action and in a great cause hers becomes an almost divine voice. During the Middle Ages

## WHAT THE INDIVIDUAL CAN DO

it was many a time their queens, that induced kings to embrace Christianity; it was then said to be one of the conditions for converting the barbarians "to have a devout female at court." Woman has always been the propelling power to the individual man, so much so, that we may say without much exaggeration, that all that man has achieved has been done for the sake of some woman; it is likewise a pregnant fact, that woman's choice has been the dominant influence on the human race, since all male superiority is probably due to female selection.

But observe! it is not at all by adding to men's knowledge, it is not even by being the intellectual co-workers of men that women are their helpers; it is by understanding them, by encouraging them, by entering into and appreciating their thoughts. The husband who has a sympathetic wife, a wife who has faith in him, he is blessed, indeed! As Philip Hamerton felicitously puts it: "Give a man just one friend, one kindly listener, accessible by day and by night—and the whole universe is changed!" Here we have just mentioned the one quality in woman which enables her so powerfully to move men, and which has procured for her her decisive influence on the affairs of the world—to wit: her sympathy. But curiously enough it is this very sympathy that is the cause of the limitations of woman; it is with it as with the edge of a cutting tool: the keener it gets, the narrower it also becomes.

## THE NEW ECONOMY

The sympathy of a wife who identifies herself with her husband's ideals is positively sublime; but, on the other hand, it begins at home and usually stays around home, or at all events around objects that personally interest her. Her personal relations are the keynote of woman's life. In other words, just because her sympathy is strong, her judgment is weak.

It is often said, that women possess another faculty that not only replaces but eclipses judgment, to wit: intuition. Now, to be sure, intuition is a characteristic and distinctive quality in woman, but its nature and scope are generally misunderstood, as Lester F. Ward has very clearly shown. Intuition is a personal, a sexual and maternal, instinct—an instinct given her for the protection of herself and her offspring. Looked at in that light, it is a natural and comprehensible gift; but manifestly it has value only within that sphere; in all other relations it is faulty; it leads her to think rapidly and judge hastily, hence, of course, erroneously. So woman's intuition also makes her egoistic and leads to a weak judgment. And, lastly, women are known to be eminently practical, which from the opposite point of view means, that they are averse to enlarged views—the French shopkeeper's wife has acquired for the female sex a world-wide reputation for great practical sense.

Now, courtesy, surely, should not make us overlook this limitation in woman: a weak

## WHAT THE INDIVIDUAL CAN DO

judgment—in its three aspects of one-sided sympathies, self-centered intuitions and passion for details—for it evidently disqualifies her for leadership in public affairs. It makes her take superficial views of great questions; it makes her reason deductively as our ancestors did, and not inductively as men now have learned to do; it makes her frame assumptions that often are stupendous. Such are also the conclusions of two English philosophers, who are known to be the reverse of woman-haters,—to wit: George Romanes, who said: “Undue influence is more frequently exercised on woman from the side of the emotions than on man; her emotions are more apt to break away from the restraint of reason,” and Professor Lecky, who gives it as his opinion, that “the thinking of women is generally a mode of feeling; women are generous in acts, but not generous in opinions.” Again, this writer believes it to be true, that woman’s ambition is mainly a desire—a very laudable one, certainly—to be thought well of by those she knows, while with a man’s enthusiasm for being deemed a benefactor by posterity it is difficult for her to sympathize.

All these qualities in woman must, of course, determine the *rôle* she ought to play during the times that will “try men’s souls.” It seems to this writer, that the People’s Party during its short period of existence has already exemplified both woman’s healthful and hurtful influ-

## THE NEW ECONOMY

ence, for the simple reason, that she has had much more to say and to do in that organization than in the other political parties. Woman, undoubtedly, has to a very great extent been a cause of the People's Party's quick growth by virtue of her powers of persuasion and stimulation; but, on the other hand, there can be just as little doubt, that much of the fanaticism and many of the grievous mistakes of the party were due to her, precisely because she was invited to help in framing its policies and defending them in speech and writing, of which invitation we know she made an ample use. Why! their women published financial essays, which the men read and studied with almost religious veneration.

It is of course entirely irrelevant to this criticism to reply, that new conditions will change woman and her nature: the important question is, what are her present powers and weakness? It is her present limitations that make serious men unwilling to invest her at this critical time with the "trust" of suffrage—though in the Collectivist Republic she unquestionably will exercise it, but then it will be harmless. The same limitations will naturally circumscribe her work in our civic churches. Man will decide upon the policies to be pursued in order to accomplish the highest welfare of mankind, but woman will bring out his powers, his strength, his perseverance and his genius. Woman will remain the inspiration of the world.

## WHAT THE INDIVIDUAL CAN DO

The present war of ours with Spain, which is being conducted while these pages are written, leads us to add some quite pertinent remarks about war and its relations to Collectivism, which really are very close. The point we wish to make is, that wars at present are not alone inevitable but actually are ethically requisite; in other words, they are absolutely necessary evils, as long as our competitive system lasts. Of course, those with whom we now are going to reason are men and women with spirit; they will admit, that there are other evils worse than war, such as: insults to national honor, territorial aggression, attacks on a nation's independence or its cherished policy, deemed vital to its well-being, to which evils war is every time to be preferred. But these causes for war are getting rarer year by year.

There is, however, another evil, which grows with our civilization, and which all the time is looked upon as an adequate cause for war, and that is our competitive system. Competition itself is war, and as long as the war-spirit is the rule within every civilized nation, it will naturally govern the conduct of nations with each other. Hence we find, that most modern wars have been wars of interests—and they are the most ignoble and most barbarous of all wars. It is absolutely necessary for Capitalism by fair means or foul to open up new markets, and this is precisely like the frantic efforts of the former slave owners to acquire

## THE NEW ECONOMY

fresh territory: it is in either case simply a matter of life or death to the system. The filibustering in Africa and elsewhere is perfectly natural as long as the present *régime* lasts; and war will remain inevitable till Collectivism is established.

But we go considerably further. It may be remembered, that some years ago the German soldier, Von Moltke, said in a paper he wrote: "Without wars the world would deteriorate into materialism." For this opinion he has been ruthlessly censured; yet Von Moltke had not the reputation of being a bad man; perhaps, if looked at from his point of view, something can be said in favor of it. We know that he was a conservative; he surely never dreamt of the possibility of a Collectivist Republic; like so many of the well-to-do folk he naturally assumed this as the best of all possible worlds. Now suppose for argument's sake, that you were certain that this individualistic, competitive and commercial social order of ours would still last for several hundred years, would not also you on reflection say, that without an occasional war our people would most likely fall into moral decay?

For even war has its compensations: our civil war actually has turned out a Providential blessing to us as a nation; there are a "dozen battles of the world" that mark the stages in our civilization but for which we might have sunk back into barbarism. The fact is, that

## WHAT THE INDIVIDUAL CAN DO

war, a righteous war, besides having destruction and death in its train, is like a thunder-storm that cleanses the fetid atmosphere and restores life to the survivors; it creates a social sentiment, and rouses the social spirit in a people to pursue the loftiest ideal of the race. Suppose our country had passed the last century without any war at all, we might by this time have been the most corrupt community on the face of the earth; we most probably should not have been a nation at all, one people, for our unrestrained individualism—in which we differ from every other civilized nation—would likely enough have dissolved our social organization into its petty, selfish elements. The year 1898 was really about the year we ought to have had a war, and we had it. Collectivism, and it alone, will render war impossible and unnecessary as a counterpoise to our present, satanic individualism; it will permanently breathe into our social organism the spirit which war occasionally creates, but without the accompanying destruction and death.

For the first time in history humanity now, at the dawn of the twentieth century, is able consciously to direct its destiny—to foreordain events.

We have several times before emphasized the important truth, that under the *régime* of competition we cannot cripple the rich without injuring the poor more, and, reversedly, that we

## THE NEW ECONOMY

cannot raise the poor without increasing the wealth and the power of the rich—to which truth our reformers have hitherto been fatally blind, probably because it seems a very unwelcome truth. However, it is not at all the great evil which on first view it appears to be. Providence turns the evil into a blessing. Our plutocrats are unwittingly and unwillingly our great helpers. They build up great trusts in the conviction that they thereby consolidate their power, but with the result, as we saw in the first chapter, that they fashion the most tremendous instrument in the hands of Democracy for their own destruction. They set up great industrial systems for their individual benefit, but all the time they are, unconsciously to themselves, playing a decisive part in the grand advance of humanity. See, how they are everywhere and feverishly evolving talent for organization, power of organization, the appliances for organization; and yet—it is worth repeating—we are just but on the threshold of electricity! They simply cannot help themselves. But this organization, this talent, this power, these appliances are precisely what the coming Collectivist Republic will greatly need, and hence they really are working for it rather than for themselves.

History, we saw, is a drama; but it is not the human actors—of whom when one group leaves the stage another set has already taken its place—who frame its plots and climaxes: it

## WHAT THE INDIVIDUAL CAN DO

is the mysterious Prompter, the Power behind evolution, the Supreme Reason, who does that.

It is this Supreme Reason that governs the world and not at all human reason; on the contrary, it is the events of the world that control and guide man's reason. Yet, this mysterious Power never accomplishes its purpose directly, but works always through men, for that object making use of their passions and their interests. Not a single great undertaking has been carried through in the world that has not brought some passion or interest into play—even if it were but the love for some woman. It is the plain truth from a human standpoint to say, what we once before said, that the Power behind evolution has constantly been bribing men to become its instruments. Thus our Cæsars and Napoleons were bribed through their ambition to perform its will, "they all the time believing, that they were merely pursuing their private ends." Exactly the same bait is now applied to our capitalists and captains of industry, as well as to our politicians.

The true heroes are they whose private ends coincide with the purpose of the Power behind evolution. This purpose evidently is not to establish Bellamy's equality, since in all directions, as we have noted, "men are made to subordinate themselves to great systems and according to their capacity to take their places in the vast economic mechanism"—and this the Supreme Reason most surely intends. But just

## THE NEW ECONOMY

as surely does it intend, that this very subordination and coöperation shall give men power to utilize this mechanism for the benefit of all—that is, that the outcome shall be freedom. Providence clearly wills Collectivism and has aimed at it throughout history. Hence Freedom, and not Equality, is the ideal of Collectivists.

What the individual can do, and ought to do, is, first, to educate himself and others; next, organize for education, and lastly and mainly, learn to discern and follow the direction in which the finger of the World-Will points; and every step he takes will make his course plainer.

In other words, he will practically carry out the prayer:

*Thy will be done on earth!*

THE END.











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